

4172. Also, petition of the Brotherhood of Railroad Trainmen, representing 135,000 members, opposing the resolution which calls for an investigation of the National Labor Relations Board; to the Committee on Labor.

4173. Also, petition of the employees of the Shamrock Towing Co., Inc., of New York City, recording their objection to passage of Senate bill 2009, or any substitute measure designed to regulate water carriers by placing them under the jurisdiction of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

4174. Also, petition of the United Marine Division, Local 333, of the International Longshoremen's Association, having a membership of 5,500 members, opposing enactment of the Wheeler-Lea bills for the regulation of water transportation; to the Committee on Interstate and Foreign Commerce.

4175. Also, petition of the New York State Industrial Union Council, of New York City, favoring passage of the Wagner-Rogers bill pertaining to the admission of German refugee children; to the Committee on Foreign Affairs.

4176. Also, petition of New York City central committee of the International Workers Order, pertaining to the passage of the Bloom neutrality bill; to the Committee on Foreign Affairs.

4177. By Mr. KEOGH: Petition of Local 933-4, Deck Scow Captains Union, International Longshoremen's Association, New York City, opposing the passage of the Wheeler-Lea bills; to the Committee on Interstate and Foreign Commerce.

4178. Also, petition of Grand Lodge, Brotherhood of Railroad Trainmen, Cleveland, Ohio, concerning an investigation of the National Labor Relations Board and its administration of the Wagner Act; to the Committee on Labor.

4179. By Mr. PATMAN: Petition of the Cass County Agricultural Association, Cass County, Tex., favoring House bill 193, a bill providing for the payment of the 1935-36 cotton certificates presented by Frank W. Thompson; to the Committee on Agriculture.

4180. By Mr. PFEIFER: Petition of the New York State Farm Federation, Ithaca, N. Y., concerning House bill 6208, to amend the Agricultural Marketing Agreement Act; to the Committee on Agriculture.

4181. Also, petition of the Deck Scow Captains Union, International Longshoremen's Association, Local 933-4, New York City, opposing the Wheeler-Lea bills; to the Committee on Interstate and Foreign Commerce.

4182. Also, petition of the United Marine Division, Local 333, International Longshoremen's Association, New York City, opposing the Wheeler-Lea bills; to the Committee on Interstate and Foreign Commerce.

4183. Also, petition of the Eberhard Faber Pencil Co., Brooklyn, N. Y., opposing the business-privilege tax in the District of Columbia, House bill 6577; to the Committee on the District of Columbia.

4184. Also, petition of the American Manufacturing Co., Brooklyn, N. Y., urging support and passage of Philippine legislation limiting importation of cordage and twine; to the Committee on Insular Affairs.

4185. Also, petition of the Grand Lodge, Brotherhood of Railroad Trainmen, Cleveland, Ohio, opposing the resolution for an investigation of the National Labor Relations Board; to the Committee on Interstate and Foreign Commerce.

4186. By the SPEAKER: Petition of George Walsh, of San Francisco, Calif., and others, petitioning consideration of their resolution with reference to House bill 6470, Works Progress Administration appropriation; to the Committee on Appropriations.

4187. Also, petition of the Sheffield Board of Trade, Sheffield, Ala., petitioning consideration of their resolution with reference to the Tennessee Valley Authority Act of 1933; to the Committee on Military Affairs.

SENATE

THURSDAY, JULY 6, 1939

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

Unworthy though we be, with thoughts unsanctified and full of doubts and fears, we come to Thee, O Righteous Father, for Thou alone canst make us worthy. We can find purity and peace only at Thy feet; we can see light only as we stand in the light of Thy countenance. Take, Thou, our hand in Thine and lead us where Thou wilt; e'en though the way be long and the shadows deep we cannot be afraid when Thou art near, and only with Thee can we find strength and know the meaning of our life. May it be our chief concern, as servants of our country, to lead men unto Thee and to fight in Thy battle for righteousness, with the courage and the tenderness of Christ, that we may find our joy as He found His in being and in doing good. We ask it in His name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 5, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Schwartz
Ashurst	Ellender	Lee	Schwellenbach
Austin	George	Lodge	Sheppard
Bailey	Gerry	Logan	Shipstead
Bankhead	Gibson	Lucas	Slattery
Barbour	Gillette	Lundeen	Smathers
Barkley	Glass	McKellar	Stewart
Bilbo	Green	Maloney	Taft
Bone	Guffey	Mead	Thomas, Okla.
Borah	Gurney	Miller	Tobey
Bridges	Hale	Minton	Townsend
Bulow	Harrison	Murray	Truman
Burke	Hatch	Neely	Tydings
Byrd	Hayden	Norris	Vandenberg
Byrnes	Herring	Nye	Van Nuys
Capper	Hill	O'Mahoney	Wagner
Chavez	Holman	Overton	Walsh
Clark, Idaho	Holt	Pepper	Wheeler
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Radcliffe	Wiley
Danaher	Johnson, Colo.	Reed	
Davis	King	Russell	

Mr. MINTON. I announce that the Senator from South Carolina [Mr. SMITH] is detained from the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Michigan [Mr. BROWN], the Senator from Arkansas [Mrs. CARAWAY], the Senator from California [Mr. DOWNEY], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Utah [Mr. THOMAS] are absent on important public business.

The Senator from Nevada [Mr. McCARRAN] is detained on official business.

Mr. AUSTIN. I announce that the Senator from Oregon [Mr. McNARY] is absent because of illness, and that the Senator from North Dakota [Mr. FRAZIER] is necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House

had passed without amendment the following bills and joint resolutions of the Senate:

- S. 12. An act for the relief of Dica Perkins;
- S. 129. An act for the relief of Howard Arthur Beswick;
- S. 216. An act for the relief of A. C. Williams, administrator of the estate of his wife, Julia F. Williams;
- S. 510. An act to authorize certain officers and enlisted men of the United States Army to accept such medals, orders, and decorations as have been tendered them by foreign governments in appreciation of services rendered;
- S. 556. An act for the relief of Catherine Humler;
- S. 633. An act for the relief of Ray Wimmer;
- S. 661. An act for the relief of Ida A. Deaver;
- S. 681. An act to give proper recognition to the distinguished services of Col. Ernest Graves;
- S. 746. An act to authorize Maj. Andrew S. Rowan, United States Army, retired, to accept the Order Carlos Manuel de Céspedes tendered him by the Government of Cuba in appreciation of services rendered;
- S. 1001. An act for the relief of Albert Pina Afonso, a minor;
- S. 1186. An act for the relief of Herbert M. Snapp;
- S. 1452. An act for the relief of Loyd J. Palmer;
- S. 1517. An act for the relief of F. E. Perkins;
- S. 1523. An act to authorize the payment of burial expenses and expenses in connection with last illness and death of native employees who die while serving in offices abroad of executive departments of the United States Government;
- S. 1692. An act for the relief of J. Vernon Phillips;
- S. 1778. An act authorizing the Secretary of the Interior to issue to Martha Austin a patent to certain land;
- S. 1847. An act for the relief of Naomi Straley and Bonnie Straley;
- S. 1894. An act for the relief of Ivan Charles Grace;
- S. 1895. An act for the relief of Maria Enriquez, Crisanta, Anselmo, Agustin, and Irineo de los Reyes;
- S. 2126. An act authorizing the Comptroller General of the United States to adjust and settle the claim of E. Devlin, Inc.;
- S. J. Res. 2. Joint resolution providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased; and
- S. J. Res. 124. Joint resolution authorizing the President to invite foreign countries to participate in the San Diego-Cabrillo Quadricentennial Celebration, to be held in 1942.

ENROLLED BILL SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 3325) to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised, and it was signed by the Vice President.

MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a memorial from Alfred M. Kunze, of New Rochelle, N. Y., remonstrating against the enactment of the so-called Bloom neutrality bill, which was referred to the Committee on Foreign Relations.

Mr. WALSH presented a telegram from the Massachusetts Women's Political Club, of Boston, Mass., signed by Florence Birmingham, president, embodying a resolution adopted by that club protesting against the enactment of the so-called Bloom neutrality bill, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 2413) for the protection of the water supply of the city of Ketchikan, Alaska, reported it without amendment.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 2348) relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters, reported it with an amendment and submitted a report (No. 728) thereon.

He also, from the same committee, to which was referred the bill (S. 1677) to make better provision for the government of the Army and the Navy of the United States by the suppression of attempts to incite the members thereof to disobedience, reported it without amendment and submitted a report (No. 732) thereon.

Mr. GILLETTE, from the Committee on Naval Affairs, to which was referred the bill (S. 2482) authorizing the President to present a Distinguished Service Medal to Rear Admiral Harry Ervin Yarnell, United States Navy, reported it with an amendment and submitted a report (No. 729) thereon.

Mr. SMATHERS, from the Committee on Claims, to which was referred the bill (H. R. 2903) for the relief of Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr., reported it without amendment and submitted a report (No. 730) thereon.

Mr. NEELY, from the Committee on the Judiciary, to which was referred the bill (S. 1008) to provide for the reincorporation of The National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, reported it without amendment.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1919) to provide for the acquisition by the United States of the estate of Patrick Henry in Charlotte County, Va., known as Red Hill, reported it with amendments and submitted a report (No. 733) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 154) increasing the limit of expenditures for the investigation of profit-sharing systems (submitted by Mr. HERRING on June 27, 1939), reported it without amendment.

INVESTIGATION OF ECONOMIC AND INDUSTRIAL CONDITIONS IN PUERTO RICO—REPORT OF A COMMITTEE

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the concurrent resolution (S. Con. Res. 18) providing for an investigation of economic and industrial conditions in Puerto Rico (submitted by Mr. KING on June 1, 1939), reported it with amendments, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DAVIS:

S. 2749. A bill to authorize the United States Maritime Commission to construct or acquire vessels to be furnished the States of New York, Massachusetts, Pennsylvania, and California for the benefit of their respective nautical schools, and for other purposes; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma:

S. 2750. A bill granting a pension to Annie Joyce (with accompanying papers); to the Committee on Pensions.

By Mr. OVERTON:

S. 2751. A bill to authorize the transfer of certain lands in Rapides Parish, La., to the State of Louisiana for use in connection with certain State highways across a portion of the Federal property occupied by the Veterans' Administration facility, Alexandria, La.; to the Committee on Public Lands and Surveys.

By Mr. WALSH:

S. 2752. A bill for the relief of Irving Kilburn Bills; to the Committee on Naval Affairs.

By Mr. SHIPSTEAD:

S. 2753. A bill to amend part I of the Interstate Commerce Act, as amended, with respect to the use of refrigerator cars; to the Committee on Interstate Commerce.

By Mr. BAILEY:

S. 2754. A bill to amend section 4471 of the Revised Statutes of the United States as amended (U. S. C., 1934 edition, title 46, sec. 464); and

S. 2755. A bill to amend section 4488 of the Revised Statutes of the United States as amended (U. S. C., 1934 edition, title 46, sec. 481); to the Committee on Commerce.

By Mr. SHEPPARD:

S. 2756. A bill relating to the funeral costs and transportation of bodies of certain deceased veterans; to the Committee on Military Affairs.

AUTHORIZATION FOR RIVER AND HARBOR WORKS—AMENDMENT

Mr. OVERTON submitted an amendment intended to be proposed by him to the bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed.

MISSISSIPPI RIVER BRIDGE NEAR MEMPHIS, TENN.—AMENDMENTS

Mr. McKELLAR submitted amendments intended to be proposed by him to the bill (S. 2242) creating the Memphis and Little Rock Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn., and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF THE SOCIAL SECURITY ACT—AMENDMENTS

Mr. SHIPSTEAD submitted an amendment intended to be proposed by him to the bill (H. R. 6635) to amend the Social Security Act, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

Mr. WALSH. Mr. President, I submit amendments intended to be proposed by me to the bill (H. R. 6635) to amend the Social Security Act, and for other purposes. I also present copy of a letter from Rt. Rev. Msgr. Michael J. Ready, general secretary of the National Catholic Welfare Conference, addressed to the chairman of the Committee on Finance, with copies to other members of the Finance Committee, relative to the amendments.

I ask that the amendments be printed and the letter and amendments printed in the RECORD and referred to the Committee on Finance.

There being no objection, the amendments were ordered to be printed and the letter and amendments were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Amendments intended to be proposed by Mr. WALSH to the bill (S. 6635) to amend the Social Security Act, and for other purposes, viz: On page 37, to strike out lines 17 to 25, inclusive.

On page 59, line 17, after "(8)", to insert "In the case of the tax imposed by section 1410."

NATIONAL CATHOLIC WELFARE CONFERENCE,
Washington, D. C., June 16, 1939.

The Honorable PAT HARRISON,
Chairman, Committee on Finance,
United States Senate, Washington, D. C.

DEAR SENATOR HARRISON: The administrative board of the National Catholic Welfare Conference desires to place before your committee its views with regard to H. R. 6635, a bill to amend the Social Security Act.

The purpose of the United States Congress in enacting Public No. 271, Seventy-fourth Congress (H. R. 7260), the Social Security Act, approved August 14, 1935, as stated in the act, is:

"To provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes."

Among its provisions the Social Security Act establishes three activities. Title II provides a Federal system of old-age benefits for workmen employed in industry and commerce and an excise tax on their employers. Title IX levies a second tax on employers of eight or more in industry and commerce, with certain credits allowed to employers contributing to a State plan of unemployment compensation.

Under this act not all persons gainfully employed are covered by either the unemployment compensation system or by the old-age benefits system.

Titles II, VIII, and IX of the Social Security Act exclude from the benefits of this act any worker employed in the service of a nonprofit charitable, educational, or religious institution.

The principal benefit provided by the old-age benefits system is a monthly pension payable to a worker in a covered employment after he has attained the age of 65. The bill now before your committee substitutes for lump-sum benefits monthly benefits for widows and children. Thus a worker in a noncovered employment, a nonprofit religious, charitable, or educational institution, etc., is entitled to no benefit at all; a worker who has at times received wages in a noncovered employment and at times in a covered employment is entitled to a benefit based solely on the wages he received in a covered employment.

This provision of the Social Security Act places the worker in a noncovered employment at a serious economic disadvantage as compared with the worker in a covered employment, unless the noncovered organization employing the worker has made some equivalent provision for him in his old age. No practical plan for providing such protection has been recommended. Especially is this true in the case of workers in the lower wage brackets, and these workers are precisely those who need this kind of protection most.

In his message of January 16, the President emphasizes the "desirability of affording greater old-age security." The President holds that the extension of the old-age benefits system "to as large a proportion as possible of our employed population is necessary in order to avoid unfair discrimination." The administrative board of bishops is desirous of gaining for the lay workers in Catholic institutions the benefits which accrue to employees generally under the Social Security Act. The administrative board wishes to assist in removing discrimination against workers in our charitable, educational, and religious institutions.

The Advisory Council on Social Security, in its final report of December 10, 1938, makes the following recommendation:

"1. The employees of private nonprofit religious, charitable, and educational institutions now excluded from coverage under titles II and VIII should immediately be brought into coverage under the same provisions of these titles as affect other covered groups.

"The council believes that there is no justification in social policy for the exclusion of the employees of such organization from the protection afforded by the insurance program here recommended. Further, no special administrative difficulties exist in the coverage of the employees of such organizations under the system."

The administrative board agrees with the general meaning of that recommendation and would accept it unequivocally if all payments under the Social Security Act were segregated in an insurance fund and not collected as taxes in the general fund.

Workers now in excluded employments but not permanently bound to such employments may at later periods acquire benefit rights by working in such employments that are not excluded. The rights they could thus acquire, however, would not be as complete and extensive as they would be had they been working continuously in a covered employment. Thus the worker in the employment of a nonprofit organization is practically reduced in his old age to a condition of economic inferiority as compared with one who works in an employment operating for profit.

As workers become conscious of this fact and are made to feel the loss in the value of their old-age benefits, it will become increasingly difficult to find satisfactory workers willing to make the sacrifice of a part of their old-age benefits. Thus it becomes apparent that excluded employments may find the exclusion a burden rather than a benefit.

The employees of tax-exempt institutions do not enjoy the exempt status of the institutions for which they work but are subject to income and other taxes—Federal, State, and local. There is no essential difference between the services rendered under the Social Security Act by the old-age benefits system and other public services such as public education, etc.

The administrative board, therefore, pleads for a formula of participation of workers in the old-age benefits of the act without prejudice to the tax-exempt status of the nonprofit, religious, charitable, and educational institution. These institutions at the same time desire that any amendment extending to their employees the coverage of old-age benefits recognize and safeguard their traditional status of exemption from general laws of taxation.

Our nonprofit institutions of charity, education, and mercy are religious foundations. In these institutions members of the clergy and of religious orders of men and women devote their lives freely and generously to the cause of education, religion, and charity. Education and charity traditionally are fields in which the church has had an important place. The clergy and religious devote their lives to education and works of mercy without regard to compensation other than what is necessary for life. They administer and operate these institutions. To that extent they are self-employed. They should continue to be exempt as they now are under titles II, III, VIII, and IX of the act. The general welfare does not require that the coverage of old-age benefits or unemployment compensation be extended to include them.

With regard to title IX, which levies a tax on employers of eight or more in commerce and industry, the administrative board of the National Catholic Welfare Conference feels that since unemployment in religious, charitable, and educational institutions is not seasonal, there is no unemployment problem as far as they are concerned, and that here, too, their traditional tax-exempt status should be recognized.

The administrative board expresses the earnest hope that an adequate formula be written to grant coverage under the Social Security Act to the lay employees of our charitable, educational, and religious institutions. In summary, the administrative board recommends:

"(1) That lay employees of Catholic institutions be included under the provisions of the Social Security Act on the basis of a contribution on the part of the employee, but not on the part of the employer.

"(2) That the present status of our institutions as tax exempt be kept unimpaired.

"(3) That unemployment coverage be not extended to employees of religious institutions, because, since unemployment in such institutions is not seasonal, there is, generally speaking, no unemployment problems as far as they are concerned.

"(4) That clergy and religious be not included in the category of employees but in the category equivalent to the family relationship as provided in the act.

"(5) That all payments be segregated as an insurance fund rather than as a general fund constituted of taxes."

With sentiments of esteem, I remain

Respectfully yours,

MICHAEL J. REIDY,
General Secretary.

AMENDMENTS TO SOCIAL-SECURITY LAW—ADDRESS BY SENATOR WALSH

[Mr. WALSH asked and obtained leave to have printed in the RECORD a radio address on the subject of amendments to the social-security law, delivered by him on July 1, 1939, which appears in the Appendix.]

THE RIGHT TO HEALTH—AND HOW TO WIN IT—ADDRESS BY SURGEON GENERAL PARRAN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by Surgeon General Thomas Parran at the sixty-sixth annual meeting of the National Conference of Social Work, at Buffalo, N. Y., on June 20, 1939, which appears in the Appendix.]

THE LOUISIANA PURCHASE—ADDRESS BY JUDGE WILLIAM C. HOLMES

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Judge William C. Holmes before the Louisiana Historical Society on April 30, 1939, on the occasion of the celebration of the one hundred and thirty-sixth anniversary of the signing of the Treaty of Paris; which appears in the Appendix.]

CONSIDERATION OF UNOBTAINED-TO BILLS ON THE CALENDAR

The VICE PRESIDENT. Morning business is closed.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning where we left off last Friday.

The VICE PRESIDENT. Is there objection? The Chair hears none. The clerk will state the first bill on the calendar under the unanimous-consent agreement.

The first business on the calendar under the unanimous-consent agreement was the bill (S. 1949) for the relief of Indian war veterans who were discharged from the Army because of minority or misrepresentation of age.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

HARRY W. ROBERTSON

The bill (S. 1936) for the relief of Harry W. Robertson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the pension laws and any laws conferring rights and privileges upon honorably discharged soldiers, their widows and dependent relatives, Harry W. Robertson, late of Company C, Eleventh Regiment United States Infantry, shall be held and considered to have been honorably discharged from the military service of the United States as a member of said organization on December 3, 1903: *Provided,* That no back pay, pension, bounty, or other emolument shall accrue prior to the passage of this act.

PORT OF CASCADE LOCKS, OREG.

The Senate proceeded to consider the bill (S. 255) authorizing the Secretary of War to convey to the port of Cascade Locks, Oreg., certain lands for municipal purposes, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 6, after the word "lands", to strike out: "Commencing at a point, not monumented, on the left bank of the Columbia River, 1,206.3 feet north from the center of section 12, township 2 north, range 7 east, Willamette meridian, in Wasco County in the State of Oregon; this point being on the southerly boundary line of the R. G. Atwell, D. L. C.; thence from said initial point by metes and bounds, east 125 feet to a point; south 203.5

feet to an 8-inch by 8-inch stone with iron plug marked 'U. S.'; south 41°15' west 578.6 feet; south 29°30' east 60 feet; south 29°45' west 75 feet; south 29°13' west 58.51 feet; south 40°0' west 135.5 feet; south 37°30' west 100 feet; south 36°20' west 100 feet; south 34°15' west 101 feet; south 31°50' west 100 feet; south 30°20' west 100 feet; south 30°10' west 2,228.4 feet; south 26°20' west 414.1 feet; south 0°30' east 490 feet; south 21°15' west 990 feet; south 46°34' west 438.1 feet; north 0°6'20" west 215.58 feet; north 28°0' east 1,247.4 feet; north 7°0' west 354.42 feet; north 18°45' east 561 feet; north 19°15' west 1,237.5 feet; north 28°0' east 286.44 feet; north 11°0' west 343.2 feet; north 46°0' east 1,171.5 feet; north 88°0' east 726 feet; north 49°0' east 907.16 feet; south 55.4 feet to the point of beginning, which is on the southerly boundary of the R. G. Atwell, D. L. C."; and to insert: "Commencing at a point, not monumented, on left bank of Columbia River, 1,206.3 feet north from center of section 12, township 2 north, range 7 east, of the Willamette meridian, in Hood River County in the State of Oregon, this point being on the southerly boundary line of the R. G. Atwell, D. L. C.; thence from said initial point by metes and bounds east 125 feet to a point; south 203.5 feet to an 8-inch by 8-inch stone with iron plug marked 'U. S.'; south 41°15' west 578.6 feet; south 29°30' east 60 feet; south 29°45' west 75 feet; south 29°13' west 58.51 feet; south 40°0' west 135.5 feet; south 37°30' west 100 feet; south 36°20' west 100 feet; south 34°15' west 101 feet; south 31°50' west 100 feet; south 30°20' west 100 feet; south 30°10' west 1,590.1 feet; north 59°50' west 200 feet; north 47°15' west 950 feet; north 28°0' east 286.44 feet; north 11°0' west 343.2 feet; north 46°0' east 1,171.5 feet; north 88°0' east 726 feet; north 49°0' east 907.16 feet; south 55.4 feet to the point of beginning, which is on the southerly boundary of the R. G. Atwell, D. L. C."; so as to make the bill read:

Be it enacted, etc., That the Secretary of War is authorized and directed to convey, by quitclaim deed, to the port of Cascade Locks, Oreg., all right, title, and interest of the United States in and to the following-described lands: Commencing at a point, not monumented, on left bank of Columbia River, one thousand two hundred and six and three-tenths feet north from center of section 12, township 2 north, range 7 east, of the Willamette meridian in Hood River County in the State of Oregon, this point being on the southerly boundary line of the R. G. Atwell D. L. C.; thence from said initial point by metes and bounds east one hundred and twenty-five feet to a point; south two hundred and three and five-tenths feet to an eight-inch by eight-inch stone with iron plug marked "U. S."; south forty-one degrees fifteen minutes west five hundred and seventy-eight and six-tenths feet; south twenty-nine degrees thirty minutes east sixty feet; south twenty-nine degrees forty-five minutes west seventy-five feet; south twenty-nine degrees thirteen minutes west fifty-eight and fifty-one one-hundredths feet; south forty degrees no minutes west one hundred and thirty-five and five-tenths feet; south thirty-seven degrees thirty minutes west one hundred feet; south thirty-six degrees twenty minutes west one hundred feet; south thirty-four degrees fifteen minutes west one hundred and one feet; south thirty-one degrees fifty minutes west one hundred feet; south thirty degrees twenty minutes west one hundred feet; south thirty degrees ten minutes west one thousand five hundred and ninety and one-tenth feet; north fifty-nine degrees fifty minutes west two hundred feet; north forty-seven degrees fifteen minutes west nine hundred and fifty feet; north twenty-eight degrees no minutes east two hundred and eighty-six and forty-four one-hundredths feet; north eleven degrees no minutes west three hundred and forty-three and two tenths feet; north forty-six degrees no minutes east one thousand one hundred and seventy-one and five-tenths feet; north eighty-eight degrees no minutes east seven hundred and twenty-six feet; north forty-nine degrees no minutes east nine hundred and seven and sixteen one-hundredths feet south fifty-five and four-tenths feet to the point of beginning, which is on the southerly boundary of the R. G. Atwell, D. L. C.

SEC. 2. The Secretary of War is further authorized and directed to convey to the port of Cascade Locks, Oreg., in addition to the lands described in the first section of this act, all right, title, and interest of the United States in and to the following: All buildings and permanent fixtures, and any material, supplies, and sundry equipment abandoned by the War Department on such lands, together with the water systems, water mains, distribution lines, and water rights located on or connected with such lands.

SEC. 3. The lands and other property authorized to be conveyed by this act shall be used by the grantee for a municipal park and dock, and for other municipal purposes. The deed executed by the Secretary shall contain the express condition that if the grantee shall cease to use such land for such purposes, or shall alienate or attempt to alienate such lands, title thereto shall revert to the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRESPASS UPON LANDS OF THE UNITED STATES

The bill (S. 2619) to provide a measure of damages for trespass involving timber and other forest products upon lands of the United States was announced as next in order.

Mr. KING. Mr. President, will the Senator from Colorado [Mr. ADAMS] explain the bill?

Mr. ADAMS. Mr. President, the bill was introduced at the instance of the Interior Department to provide a measure of damages for trespass on the public domain. They advised me that there was a gap in the civil-damage processes of the law. This bill merely provides for civil damages. It does not entirely meet their desire. The committee reduced the rate of damages for innocent trespass.

Mr. KING. I invite the Senator's attention to section 2. It seems rather to imply that persons having valid mining claims upon the public domain might be subjected not only to harassment but to suits, and to civil if not criminal prosecution. It seems to me there ought to be some recognition of the fact that a mining claim, when the law is complied with, transfers the equitable title to the occupant, and the legal title, of course, to the patentee. It seems to me this measure imposes too great a burden and hardship upon the locators of mining claims upon the public domain. The Senator knows that the courts recognize the validity of valid locations of mining claims, and protect the person who has made the application against trespasses by the Government or by anyone else, for that matter.

Mr. ADAMS. Does not the last part of section 2, saying that—

Nothing in this act shall interfere with or take away any right, authority, or privilege under any existing law of the United States to cut or remove timber from any public lands—

Obviate the objection of the Senator?

Mr. KING. I should like to have the Senator let the bill go over. I think it is pregnant with danger.

Mr. ADAMS. I shall be very glad to have it go over.

The VICE PRESIDENT. The bill will be passed over.

FISH HATCHERY, GLACIER NATIONAL PARK

The bill (S. 770) to authorize the addition to Glacier National Park, Mont., of certain property acquired for the establishment and operation of a fish hatchery, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to administer as a part of the Glacier National Park, in the State of Montana, subject to all laws and regulations applicable thereto, the lands, or interests in lands, within the State of Montana, in township 28 north, range 20 west, Montana meridian, which may be acquired by the United States for the establishment and operation by the National Park Service of a fish hatchery for restocking the waters of the said park.

CORONADO NATIONAL FOREST, ARIZ.

The bill (S. 2152) to protect scenic values along the Catalina Highway within the Coronado National Forest, Ariz., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter mining locations made under the mining laws of the United States upon lands within 400 feet of the center line of the Catalina Highway, Coronado National Forest, Ariz., which highway begins at the south boundary of said national forest near the southeast corner of section 7, township 13 south, range 16 east, Gila and Salt River base and meridian, and runs in a general northerly direction for a distance of about 25 miles to Soldier Camp, shall confer on the locator no right to the surface of the land described in his location other than the right to occupy and use, under the rules and regulations relating to the administration of the Coronado National Forest, so much thereof as may be reasonably necessary to carry on prospecting and mining, and shall not authorize the taking of any resource other than the mineral deposits, or the occupancy of said land for any purpose other than prospecting and mining; and each patent issued thereafter under the United States mining laws upon a mineral location made upon lands within 400 feet of said center line shall convey title only to the mineral deposits within said land and the right, subject to rules and regulations relating to the national forests, to occupy and use the surface of the land for prospecting and mining only: *Provided, That* valid mining claims within said

lands existing on the date of enactment of this act and thereafter maintained in compliance with the laws under which they were initiated and the laws of the State of Arizona may be perfected in accordance with the laws under which they were initiated.

LIMITATION OF COST OF CONSTRUCTION OF BUILDINGS IN NATIONAL PARKS

The Senate proceeded to consider the bill (S. 2624) to amend the act of August 24, 1912 (37 Stat. 460), as amended, with regard to the limitation of cost upon the construction of buildings in national parks, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 8, after the word "to", to strike out "\$5,000" and insert "\$3,000", so as to make the bill read:

Be it enacted, etc., That the limitation of cost upon the construction of any administration or other building in any national park without express authority of Congress, contained in the act approved August 24, 1912 (37 Stat. 460), as amended by the act of July 1, 1918 (40 Stat. 677), is hereby increased from \$1,500 to \$3,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ARIZONA STATE ELKS ASSOCIATION HOSPITAL

The bill (S. 5) to grant certain lands to the Arizona State Elks Association Hospital was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Executive Order No. 2295 and dated January 1, 1916, as modified by the Executive Order No. 6971 and dated February 19, 1935, is hereby further modified by the elimination from the provisions of said Executive order as modified of a certain tract of land particularly described as follows, to wit: The north 200 feet northwest quarter northwest quarter section 10, township 14 south, range 13 east, Gila and Salt River base and meridian; in all, an area approximately 200 feet wide by approximately 1,315.28 feet long.

SEC. 2. The Secretary of the Interior is hereby authorized and directed to issue patent covering the lands described in section 1 hereof to the Arizona State Elks Association Hospital.

ENROLLMENT OF MENOMINEE INDIAN CHILDREN

The Senate proceeded to consider the bill (H. R. 4497) to prescribe rules for the enrollment of Menominee Indian children born to enrolled parents, and for other purposes, which was read, as follows:

Be it enacted, etc., That, regardless of the act of June 15, 1934 (48 Stat. L. 965), upon receipt of proper birth certificates the names of unenrolled living Menominee Indian children born prior to that date of an enrolled parent or parents residing on the reservation at the time of their birth, and the names of children born thereafter otherwise qualified under section 4 of said act but irrespective of the derivation of their Menominee blood, shall be automatically placed upon the official roll approved on December 27, 1935; and such children shall be entitled to participate in any tribal payments made between the time of their birth and enrollment.

SEC. 2. The Secretary of the Interior is hereby authorized and directed on or before June 30, 1941, to investigate and determine the correct degree of Menominee Indian blood of every person whose name appears on the basic official roll as originally approved December 27, 1935. The determination made by the Secretary of the Interior shall be final and conclusive for enrollment purposes under the act of June 15, 1934, as modified herein, and any changes necessary to conform to such determination shall be made in the appropriate column of said roll.

Mr. KING. Mr. President, may I have an explanation of the bill from the Senator from Wisconsin [Mr. LA FOLLETTE]?

Mr. LA FOLLETTE. Mr. President, this is a House bill which has already passed the House. It is designed to correct certain inequalities that exist with respect to the present Menominee Indian rolls.

The measure is drawn to accomplish the following results:

First. To permit the names of certain Menominees who by mistake were not placed on the Menominee Tribe roll to be placed thereon.

Second. To permit children of enrolled members to be automatically placed on the tribal roll as they are born.

Third. To permit the correction of certain erroneous entries in the tribal roll.

The committee, after giving the measure consideration, felt that it was entirely justified, and there were no indications of opposition by anyone. The enactment of the bill will not involve any expense to the Government itself. It is simply

to correct erroneous entries on the tribal rolls and to accomplish the other results which I have already suggested.

Mr. KING. I have no objection.

The VICE PRESIDENT. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AMENDMENT OF EMPLOYEES' COMPENSATION ACT

The Senate proceeded to consider the bill (S. 607) to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, line 6, after the word "amended" to insert "or any other act relating to tribal timber and logging operations on the Menominee Reservation", so as to make the bill read:

Be it enacted, etc., That section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, is amended by inserting after the words "Panama Railroad Co." the following: "and all persons, other than independent contractors and their employees, employed on the Menominee Indian Reservation in the State of Wisconsin, subsequent to September 7, 1916, in operations conducted pursuant to the act entitled 'An act to authorize the cutting of timber, the manufacture and sale of lumber, and the preservation of the forests on the Menominee Indian Reservation in the State of Wisconsin', approved March 28, 1908, as amended, or any other act relating to tribal timber and logging operations on the Menominee Reservation."

Sec. 2. Any award heretofore made by the United States Employees' Compensation Commission under such act of September 7, 1916, to persons coming within the purview of the first section hereof, for disability or death resulting from a personal injury sustained prior to the enactment of this act, shall be valid, if such award would be valid if made in respect to an injury or death sustained after the enactment of this act. Any claim for disability or death to any person coming within the purview of the first section hereof, if such disability or death occurred prior to the enactment of this act, may be filed at any time within 1 year after the enactment hereof.

Mr. KING. Mr. President, I note that the Acting Secretary of the Interior is opposed to this bill.

Mr. LA FOLLETTE. Mr. President, that is not my understanding. The bill has been amended in accordance with the suggestions made by the Acting Secretary of the Interior.

I may say to the Senator that for 20 years prior to 1936 the employees on the Menominee Indian Reservation—and, as the Senator from Utah and other Senators know, they have a mill in operation there—were held by the United States Employees' Compensation Commission to be civilian employees of the Government. In 1936 the Commission reversed its ruling. It seems in all justice that the status of the employees has not changed, and that they are entitled to come under the United States Employees' Compensation Act.

The Committee on Indian Affairs has incorporated in the bill the amendments suggested by the Acting Secretary of the Interior; and it is my understanding that with these amendments the bill meets the approval of the Secretary.

Mr. KING. Does it deal exclusively with the Indians upon the reservation?

Mr. LA FOLLETTE. Exclusively with those upon the Menominee Reservation. I desire further to reassure the Senator by stating that a similar measure had consideration in a previous session of Congress, was favorably reported and passed the Senate, but did not reach the House of Representatives in time to be acted upon in that session of Congress.

Mr. KING. The Senator, then, gives us the assurance that the objection made by the Acting Secretary of the Interior has been met by the amendments?

Mr. LA FOLLETTE. That is my understanding.

Mr. KING. I have no objection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM F. PACK

The Senate proceeded to consider the bill (S. 1618) granting an annuity to William F. Pack, which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 2, after the words "rate of", to strike out "\$1,800" and insert "\$1,200", so as to make the bill read:

Be it enacted, etc., That in recognition of the years of distinguished and conspicuous service of William F. Pack to the United States in the Philippine Islands as Governor of Benguet Province from November 15, 1901, to March 15, 1909, and as Governor of the Mountain Province from March 15, 1909, to December 31, 1912, and in further recognition of the fact that as the result of his unselfish devotion to duty under most trying and dangerous conditions during such years caused him to be permanently and totally disabled, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said William F. Pack, an annuity at the rate of \$1,200 per annum, in monthly installments, the first installment to be due and payable on the 1st day of the month following the date of enactment of this act.

Sec. 2. The annuity provided for by this act shall be in addition to any pension, compensation, or disability benefits payable to the said William F. Pack on account of services in the military or naval forces of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN WEST VIRGINIA

The Senate proceeded to consider the bill (S. 1750) authorizing the Secretary of War to convey to the town of Marmet, W. Va., two tracts of land to be used for municipal purposes, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 5, after the word "Virginia", to insert "subject to the reservations and conditions hereinafter contained, all right, title, and interest of the United States in and to"; on page 4, line 16, after the word "on", to strike out "such" and insert "said"; in line 17, after "3-A", to insert: "There is expressly excepted and reserved to the United States of America an easement of way for all right-of-way purposes whenever the same may be required, on, over, in, and across each of the two tracts hereinabove described, for the use and benefit of the United States of America, its successors and assigns, and there is likewise hereby excepted and reserved to the United States of America the perpetual easement and right to flood such part or parts of each of the two tracts of land hereinabove described as may be necessary so to do, from time to time, in the interests of navigation or flood control"; on page 5, line 5, after the words "nine and", to strike out "fifty" and insert "fifty-one"; in line 23, after the word "to", to strike out "(1)"; and on page 6, line 2, after the word "them", to strike out "(2) make such conveyance subject to the reservations and exceptions contained in subparagraphs (a), (b), (c), (d), and (e) of the decree title obtained by the United States in the condemnation proceeding referred to in subsection (b) of the first section of this act, but only to the extent that such reservations and exceptions are applicable to or affect such tracts of land; (3) reserve to the United States an easement to maintain a right-of-way over such tract No. 1; and (4) reserve to the United States the right to flood such tracts of land, from time to time, in the interests of navigation", so as to make the bill read:

Be it enacted, etc., That (a) the Secretary of War is authorized and directed to convey, by quitclaim deed, to the town of Marmet, W. Va., subject to the reservations and conditions hereinafter contained, all right, title, and interest of the United States in and to two tracts of land situated on the west side of the Great Kanawha River, at lock and dam No. 2, in Marmet, W. Va., and described as follows:

Tract No. 1. Beginning at an iron pin in the eastern right-of-way line of the old county road at the southwest corner of the A. J. Baker land (now the property of the United States); thence from said point of beginning and running along and with said eastern right-of-way line north twenty-six degrees fifty-seven minutes west one hundred and seventy-one feet to an iron pin in said line; thence continuing along and with said eastern right-of-way line north twenty-three degrees fifty-eight minutes west two hundred and eleven and five one-hundredths feet to an iron pin in said

right-of-way line at the southerly corner of the lands of Mary B. Meyers and the northwest corner of the said A. J. Baker land; thence, along and with the Meyers-Baker boundary line, north sixty degrees thirty-two minutes east one hundred and twenty-one and eighteen one-hundredths feet to an iron pin in the intersection of the westerly right-of-way boundary line of the Charleston Interurban Railroad Co.; thence, and running with and along the said Charleston Interurban Railroad right-of-way line, south twenty-four degrees thirty-two minutes east two hundred and sixteen and thirty one-hundredths feet to an iron pin in said right-of-way line; thence, continuing with and along said right-of-way line, south twenty-seven degrees east one hundred and sixty-six and fifty-two one-hundredths feet to the point of intersection with the boundary line between the said A. J. Baker land and the H. H. Smallridge and Industrial Center subdivision of the town of Marmet; thence, with and along said Baker-Industrial Center boundary line, south sixty-one degrees twenty-three minutes west one hundred and twenty-three and eighteen one-hundredths feet to the point of beginning, containing one and seven one-hundredths acres, more or less, and designated on United States Army engineer's plat, "Kanawha River Locks & Dam No. 2, Real Estate, U. S. Engineer Office, Huntington, W. Va., March 1935 (File No. 023-L2-11/1)", as "3-B."

Tract No. 2. Beginning at the point of intersection of the eastern boundary right-of-way line of the Charleston Interurban Railroad Co. and the northerly boundary line of the A. J. Baker land, and on the right-of-way line between said Charleston Interurban Railroad and the West Virginia State Highway Route No. 61; thence from said point of beginning, and along and with said Baker line, north sixty degrees thirty-two minutes east four hundred and twenty and sixty-nine one-hundredths feet to a point in said Baker line; thence south twenty-nine degrees twenty-eight minutes east three hundred and thirty-eight and ninety-one one-hundredths feet to the intersection of the north line of a fifty-foot street (now unnamed); thence, with the line of said street, south sixty-one degrees twenty-three minutes west three hundred and seventy-nine and thirty-nine one-hundredths feet to a point in said street line; thence north eighty-seven degrees thirteen minutes west seventy-four and eighty-eight one-hundredths feet to a point in the right-of-way boundary line between the said Charleston Interurban Railroad Co. and the West Virginia State Highway Route No. 61, said point being eighty-nine and seven one-hundredths feet distant, in a northerly direction, from the southerly boundary line of the A. J. Baker land; thence, running with and along said right-of-way boundary line, north twenty-seven degrees west seventy-seven and forty-five one-hundredths feet to a point in said boundary line; thence, continuing with said right-of-way boundary line, north twenty-four degrees thirty-two minutes west two hundred and sixteen and seventy-five one-hundredths feet to the point of beginning, containing three and three hundred seventeen one-thousandths acres, more or less, and being a part of the portion of the nine-acre Baker tract designated on said United States Army Engineers' plat as "3-A." There is expressly excepted and reserved to the United States of America an easement of way for all right-of-way purposes whenever the same may be required on, over, in, and across each of the two tracts hereinabove described, for the use and benefit of the United States of America, its successors and assigns, and there is likewise hereby excepted and reserved to the United States of America the perpetual easement and right to flood such part or parts of each of the two tracts of land hereinabove described as may be necessary so to do, from time to time, in the interests of navigation or flood control.

(b) The two tracts of land described in subsection (a) of this section are parts, and come out of, that certain lot, piece, and parcel of land containing nine and fifty-one one-hundredths acres, more or less, which was acquired by the United States through a condemnation proceeding had in the United States District Court for the Southern District of West Virginia, sitting in the city of Charleston, W. Va., on November 9, 1933, and styled United States of America against A. J. Baker and others, a copy of the final decree in such proceeding being recorded on November 18, 1933, in the office of the clerk of the county court of Kanawha County, W. Va., in Deed Book No. 390, at page 527 thereof, to which reference is made for a more complete description.

SEC. 2. The two tracts of land, the conveyance of which is authorized by the first section of this act, shall be held and used by the grantee for the purposes of a public park and recreational site and for similar and related municipal purposes. The deed of conveyance of such tracts of land to be executed by the Secretary of War shall contain appropriate provisions to provide for a reversion of such tracts of land to the United States in the event the grantee shall fail to use, or shall cease using, them for such purposes, or shall alienate, or attempt to alienate, any part of them.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MICHAEL J. QUINN

The bill (S. 2031) authorizing the Secretary of War to bestow the Silver Star upon Michael J. Quinn was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of the act of May 26, 1928, the Secretary of War is authorized to pass upon the recommendations now in the War Department for the

award of the Silver Star citation to Michael J. Quinn, late of Battery B, Seventh Regiment United States Field Artillery, and, if such recommendations are found sufficient under the law governing the award of the Silver Star to award such decoration to Michael J. Quinn.

BILL PASSED OVER

The bill (S. 1836) to promote farm ownership by amending the Bankhead-Jones Farm Tenant Act to provide for Government-insured loans to farmers; to encourage sale of farms held by absentee owners to farm tenants; and to enable tenant farmers to become owners of farm homes through long-term low-interest-rate loans on farms, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. This bill, being the unfinished business, will be passed over.

WIDOW AND CHILDREN OF DR. JOE M. FERGUSON

The Senate proceeded to consider the bill (S. 753) for the relief of the widow and children of Dr. Joe M. Ferguson, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and insert:

That the Veterans' Administration is hereby authorized and directed to cancel an alleged overpayment in the sum of \$7,051.94 charged against Dr. Joe M. Ferguson for disabled emergency officers' retirement payments received by him and to pay to the widow and children of Dr. Ferguson the sum of \$7,666.21, representing the net balance payable of the proceeds of insurance policy K-18334 issued to Dr. Ferguson, and the civil-service retirement fund credited to Dr. Ferguson at the time of his death on September 21, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, I observe that Mr. Hines, the Administrator, reports adversely on this bill. In view of his adverse report, I should like an explanation of the bill.

Mr. SCHWARTZ. Mr. President, I will make a brief explanation of the bill.

The bill is entitled "A bill for the relief of the widow and children of Dr. Joe M. Ferguson." When Dr. Ferguson died, he had a war-risk insurance policy of some ten-thousand-and-odd dollars. Dr. Ferguson was found by an investigating committee to have filed a certain false affidavit in aid of his claim for compensation under the World War Veterans' Act of 1924. For that reason he was charged with the sum of \$2,983.82, which had been paid to him, and which was forfeited under the provisions of section 504 of the World War Veterans' Act.

The doctor filed an affidavit signed by the name of another physician, and there was a controversy as to how that affidavit came into existence. It was the doctor's contention that he had prepared an affidavit for the other physician stating that his first treatment of the doctor was in January 1920, and that he had left it with the doctor or with the notary for the doctor's signature. Dr. Ferguson was called away and was not present when the affidavit was executed. He says in his own defense that he prepared this form of affidavit for the doctor to sign—I do not recall the other doctor's name—and that the other doctor prepared an affidavit and signed it, which changed the dates, or some of them, but for some reason or other the notary public who had the two affidavits attached his jurat to the one which had been prepared as a form, according to Dr. Ferguson. However that may be, the committee has recommended that the \$2,983.82 that was paid to Dr. Ferguson under the World War Veterans' Act should be deducted from the insurance.

Under the act of March 24, 1928, which was the Emergency Officers' Retirement Act, Dr. Ferguson again submitted an application. In the meantime he had been from time to time examined by various physicians in the Veterans' Administration, and there was no doubt of his disability, and no doubt of the extent of his disability. Under the Emergency Officers' Retirement Act he received a total, prior to his death, of \$7,051.94.

The difference between the committee and the Veterans' Administration is that the Administration appears to be of opinion that, notwithstanding the fact that there is no penalty provision in the Emergency Officers' Retirement Act, still the fact that the doctor was found guilty of having submitted a false affidavit under the World War Veterans' Act presented a difficulty which followed the doctor into the subsequent legislation of March 24, 1928.

The committee is of opinion that that holding is not correct, that there is no provision in the Emergency Officers' Retirement Act such as section 504 of the World War Veterans' Act, and that the doctor's prior delinquency, or wrongful act, under the World War Veterans' Act, should not be carried along and follow him into the Emergency Officers' Retirement Act.

In view of these matters the committee was of opinion, and so recommended, that of the total credits due Dr. Ferguson's heirs, his wife, and his two children, \$10,699.03, there should be deducted the \$2,983.82 and the pension of \$49, leaving a net balance to which they are entitled of \$7,666.21. After consideration, the committee has so reported.

Mr. KING. I have no objection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the widow and children of Dr. Jo M. Ferguson."

BARNET WARREN

The bill (S. 2271) for the relief of Barnet Warren was announced as next in order.

Mr. KING. Let the bill go over.

Mr. LOGAN. Mr. President, will not the Senator withhold his objection for a moment so that I may explain the bill?

Mr. KING. I am very glad to do so.

Mr. LOGAN. I may say that this is an emergency case, and that is why I make the request. I never object to a bill in which I am interested going over.

Mr. President, this is a case where negligence has been admitted. The young man involved has been so seriously injured that he has been in the hospital for several months. His sister, whom I happen to know very well, spent all the money she had, some \$2,500 or \$3,000, having her brother treated. It is necessary that he leave the hospital, because his sister cannot pay any more money.

The negligence is admitted. The Senator from Wyoming [Mr. SCHWARTZ], one of the most careful members we have on the committee, went into this matter most carefully, and made the recommendation which appears in the report.

Mr. KING. I assumed we were considering Calendar No. 703. I have no objection to this bill.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2271) for the relief of Barnet Warren, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Barnet Warren the sum of \$2,459.34, and the additional sum of \$100 per month in an amount not to exceed \$5,000, in full settlement of all his claims against the United States growing out of any damages or personal injuries suffered by him when a Civilian Conservation Corps truck, operated at the time by the National Park Service, collided with the said Barnet Warren, who was riding a bicycle north on United States Highway No. 1 near Ojus, Fla., on March 17, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WALTER PETERSEN

The bill (S. 2156) for the relief of Walter Petersen was announced as next in order.

Mr. KING. Mr. President, Mr. Hanes, the Acting Secretary of the Treasury, has voiced his opposition to this bill, and I ask that it go over.

Mr. SCHWARTZ. I did not hear what the Senator had to say.

Mr. KING. I called attention to the fact that the Assistant Secretary of the Treasury, Mr. Hanes, did not approve the bill, and suggested that this man be remitted to his action in the courts. In view of that recommendation, I think the bill ought to go over.

Mr. SCHWARTZ. I think possibly a short explanation might meet the objection the Senator has in mind.

Mr. KING. I am merely relying on Secretary Hanes.

Mr. SCHWARTZ. Let us assume for a moment that the bill is meritorious except for the fact that the Department was of opinion that the claimant had not exhausted all his legal remedies before coming to Congress.

The fact is that this claimant was denied relief below, and referred to the Comptroller's office. The record shows that the Comptroller's office has held that there is no power in the War Department to pay for damages incident to delay.

Mr. KING. I call the Senator's attention to the statement of Mr. Hanes, Acting Secretary of the Treasury, a man of very great courage and very great devotion to his duty, as follows:

The contractor's failure to present any claim also leaves the Department without information to verify the correctness of the amount claimed. It seems probable that the alleged losses of \$5,300 are excessive, and it would be necessary for the contractor to submit detailed information and evidence before the Department could approve any amount in settlement of the claim.

For these reasons the Department feels that the contractor should be left to the pursuit of his existing remedies and does not recommend the enactment of this bill.

Mr. SCHWARTZ. Reading further from the same report, we find that the Acting Secretary of the Treasury says:

It appears to the Department that the contractor is entitled to an "equitable adjustment" of the contract price pursuant to article 3, above quoted, to compensate for any expense incident to delay in connection with the changes here in question.

All the changes being made by the Government.

Although further action by the Department is precluded by the final settlement of the contract, claims of this type have been allowed by the General Accounting Office, and it appears that the claimant's existing remedies have not been exhausted.

Following that the claimant went to the General Accounting Office, and he was advised there that—

While the act of June 6, 1902, applicable to Treasury Department contracts, provides for the remission, under certain conditions, of liquidated damages for delays from whatever cause, there is no statute providing for payment by the United States to the contractor of losses by reason of delays.

There is more to the same effect. So, as a practical matter, the claimant has no further remedy, he has exhausted all remedies available to him below, and it seems to me that the sole question, under the circumstances, is as to the merit of his claim.

Mr. KING. Mr. President, I think we had better have further explanation from the Secretary.

The PRESIDENT pro tempore. The bill will be passed over.

LE ROY BREITHAUP

The bill (S. 1839) for the relief of Le Roy Breithaupt was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General is authorized and directed to cancel the charges against Le Roy Breithaupt, of Corvallis, Oreg., in the sum of \$1,302.78, representing the unpaid balance of the claim of the United States against said Le Roy Breithaupt (U. S. claim No. COL-0665045) for refund of sums received by him from the United States as compensation for services as an agent in the Oregon Cooperative Extension Service during the period he was employed upon a per diem basis by the Farm Credit Administration.

ALLEGHENY FORGING CO.

The bill (H. R. 3673) for the relief of the Allegheny Forging Co. was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BRUNO ARENA

The Senate proceeded to consider the bill (S. 1445) for the relief of Bruno Arena, which had been reported from the Committee on Claims with amendments, on page 1, line 6, to strike out "\$5,000" and insert "\$2,112.40"; and on page 2, line 2, to strike out "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000"; and to insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bruno Arena, of Providence, R. I., the sum of \$2,112.40, in full satisfaction of all claims against the United States for damages for personal injuries and medical expenses sustained by him when he was struck by a United States mail truck in the service of the United States Post Office Department, operated by William Conlon, an employee of the United States Post Office Department, on Promenade Street, Providence, R. I., on February 20, 1933: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EDITH EASTON AND ALMA E. GATES

The bill (S. 2607) authorizing the Comptroller General of the United States to settle and adjust the claim of Edith Easton and Alma E. Gates was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Edith Easton and Alma E. Gates, of Sacramento, Calif., for \$250, as the reasonable value of 25,000 board feet of lumber removed without authority from their land in Calaveras County, Calif., during July and August 1933, by members of the Civilian Conservation Corps, camp F-88, Dorrington, Calif., and to allow in full and final settlement of the claim the sum of not to exceed \$250. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$250, or so much thereof as may be necessary, for payment of the claim: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

CITIZENS STATE BANK OF MARIANNA, FLA.

The Senate proceeded to consider the bill (S. 1810) for the relief of the Citizens State Bank of Marianna, Fla., which had been reported from the Committee on Claims with an amend-

ment, on page 1, line 11, to insert "*Provided,* That the Comptroller General of the United States is authorized and directed to credit the account of the Treasurer of the United States with the sum of \$692.09, representing the total amount of checks numbered 35862, 37109, 41815, 5829, and 28808," so as to make the bill read:

Be it enacted, etc., That all claims of the United States against the Citizens State Bank of Marianna, Fla., in the amount of \$692.09, such sum representing five checks fraudulently negotiated by forged endorsements to such Citizens State Bank by an agent of the United States Seed Loan Department, and such checks having been cleared through the usual channels and charged back to the Treasurer of the United States by the General Accounting Office, shall be held and considered to have been satisfied as of the date of the enactment of this act: *Provided,* That the Comptroller General of the United States is authorized and directed to credit the account of the Treasurer of the United States with the sum of \$692.09, representing the total amount of checks Nos. 35862, 37109, 41815, 5829, and 28808.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1989) to provide for the alteration of certain bridges over navigable waters of the United States for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes, was announced as next in order.

Mr. HATCH. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

GEORGE H. EISWALD

The bill (S. 2157) for the relief of George H. Eiswald was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Navy, George H. Eiswald (C-2317652) shall be held and considered to have served for 90 days, between the dates of April 21, 1898, and July 4, 1902, in the United States Navy during the War with Spain and to have been honorably discharged from such service: *Provided,* That no pension, pay, or bounty shall be held to have accrued by reason of this act prior to its enactment.

SGT. MAJ. EDWIN O. SWIFT

The Senate proceeded to consider the bill (H. R. 4511) to extend to Sgt. Maj. Edwin O. Swift, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men.

Mr. KING. Mr. President, may we have an explanation of the bill?

Mr. WALSH. Mr. President, Sgt. Maj. Edwin O. Swift served 30 years in the Marine Corps, and retired with the rank of sergeant major. There is a general law which provides that an officer in the Navy, Marine Corps, or the Army, may retire at the highest rank he has at any time held. Sergeant Major Swift for a few months during the World War held the rank of second lieutenant in the Marine Corps. The bill provides that he may be considered to have retired with that rank. It does not increase his retirement pay or his allowances, and results in no extra cost to the Government. The passage of the measure is recommended by the Navy Department.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1708) to amend section 51 of chapter 2, title 45, of the Code of Laws of the United States of America, was announced as next in order.

Mr. AUSTIN. Mr. President, I ask for an explanation of the bill. If we can have no explanation at this time, I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

HOURS OF EMPLOYMENT ON WIOTA-FORT PECK RAILROAD

The Senate proceeded to consider the bill (S. 2639) relating to the hours of service of persons employed upon the Government-owned Wiota-Fort Peck Railroad in the State of Montana, which was read as follows:

Be it enacted, etc., That the provisions of the act entitled "An act relating to the limitation of the hours of daily service of laborers and mechanics employed upon the public works of the United States and of the District of Columbia," approved August 1, 1892, as amended, shall not be applicable with respect to the service and employment of persons employed in connection with the operation or maintenance of the Government-owned Wiota-Fort Peck Railroad in the State of Montana; but the hours of labor or service of such persons shall be limited to the same extent that such hours of labor or service would be limited, if the United States in the operation of such railroad were a common carrier subject to the provisions of the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907, as amended.

SEC. 2. Any officer or agent of the United States whose duty it shall be to employ, direct, or control any person employed in connection with the operation or maintenance of such railroad who shall intentionally require or permit such person to be employed for hours of labor or service in violation of this act shall be deemed guilty of a misdemeanor, and for each and every such offense shall, upon conviction, be punished by a fine of not to exceed \$1,000 or by imprisonment for not more than 6 months, or by both such fine and imprisonment, in the discretion of the court having jurisdiction thereof.

Mr. KING. Mr. President, let the bill be passed over.

Mr. MURRAY. Mr. President, will the Senator withhold his request in order that I may make an explanation of the bill?

Mr. KING. I withhold my request.

Mr. MURRAY. The bill is intended to relieve a very embarrassing situation in connection with the construction work going on at Fort Peck Dam, Mont. The Government operates a small railroad there in connection with the work. The railroad is used in connection with the construction work and also for the purpose of carrying materials and supplies to the site of the dam. The Attorney General has issued an opinion to the effect that the railroad in question is not a common carrier, and therefore the Federal law limiting the hours of work for the men employed on this railroad to 8 hours a day is applicable. The bill is intended to relieve the railroad from the provisions of that act, and to make it possible for the men to work longer than 8 hours a day in order to transact the business in connection with the construction of the dam.

Mr. KING. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. KING. Does the measure extend the principle indefinitely?

Mr. MURRAY. No; it is only intended to apply to the work on the dam during the time the railroad will be in operation. It allows the men to work more than 8 hours a day in order to expedite the work of the dam.

Mr. KING. Who is constructing the dam?

Mr. MURRAY. Private contractors, but the Government owns the line and is operating it as a Government line. The railroad performs work in connection with the construction of the dam, and also carries the materials and supplies to the site of the dam.

Mr. KING. Would these employees be the employees of the Government?

Mr. MURRAY. And the Government has wholly limited the hours of employment to 8 hours. The pending measure will permit the men to work longer than 8 hours, just as on a common carrier.

Mr. KING. Very well.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was ordered to be engrossed for a third reading, read the third time, and passed.

RIGHT-OF-WAY FOR BONNEVILLE PROJECT

The Senate proceeded to consider the bill (S. 2634) to reserve to the United States for the Bonneville project a

right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for other purposes, which had been reported from the Committee on Indian Affairs, with an amendment, on page 2, line 2, after the word "tribal" to strike out "council" and insert "council," so as to make the bill read:

Be it enacted, etc., That there is hereby reserved to the United States for the Bonneville project a right-of-way in the nature of an easement not to exceed 300 feet in width across allotted and tribal lands on the Yakima Indian Reservation, in the State of Washington, for the construction, operation, and maintenance of electric transmission lines, with the right of ingress and egress, and such additional area as may be necessary for a substation.

SEC. 2. This reservation is subject to the consent of the individual allottees and the tribal council, to the approval of a map of definite location by the Secretary of the Interior, and to the payment of such compensation as he may determine. Should any allottee refuse to give his consent, condemnation under the provisions of the act of August 1, 1888 (25 Stat. 357), is hereby authorized. The right is reserved to the Indians to cultivate or otherwise utilize the right-of-way in such manner as will not be inconsistent with the use thereof for transmission-line purposes.

Mr. KING. Mr. President, I should like to inquire whether or not the Indian tribe or representatives of the tribe have assented to the measure, and whether they are to be paid for any damage to their land? We want to take care of the Indians.

Mr. BONE. Mr. President, I may explain the measure to the Senator from Utah and to other Senators. All the negotiations for the easements across the land have been concluded and the price agreed on. It so happens that the statute authorized other forms of private utilities to pass over the land, but by a peculiar construction of the statute it does not authorize the Bonneville line to go across the land. All the arrangements have been made, all the contracts with the Indians have been closed for other lines. The Indians are satisfied with the payments which have been negotiated through the proper officials.

Mr. KING. I have no objection if the Indians are properly protected and paid for the lands which are being taken.

Mr. BONE. As a matter of fact some of them have almost obtained their money. Agreements have been made which are satisfactory to all.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2185) to provide for the appointment of additional district and circuit judges was announced as next in order.

Mr. KING. Mr. President, it will take some time to consider that bill. I object to its consideration today.

The PRESIDENT pro tempore. The bill will be passed over.

ACQUISITION OF ADDITIONAL LANDS FOR MILITARY PURPOSES

The Senate proceeded to consider the bill (S. 2586) to authorize the acquisition of additional land for military purposes, which was read as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to acquire, in such order or priority as he may determine, title to additional land, or interest therein, or right pertaining thereto, to the extent of the approximate areas hereinafter set forth, for the establishment, enlargement, and essential improvement of the following military reservations, posts, and facilities:

Fort Ethan Allen Artillery Range, Vt., 4,451 acres, more or less.
Antiaircraft Firing Range, Mohave Desert, north of Barstow and Baker, Calif., 749,440 acres, more or less.
Fort Bliss, Tex., 51,300 acres, more or less.
Fort Devens, Mass., 6,448 acres, more or less.
Fort Dix, N. J., 1,750 acres, more or less.
Fort Knox, Ky., 51,342 acres, more or less.
Leon Springs, Tex., 13,253 acres, more or less.
Camp McCoy, Wis., 1,000 acres, more or less.
Fort George G. Meade, Md., 10,000 acres, more or less.
Pine Camp, N. Y., 1,670 acres, more or less.
Seventh Corps Area Training Center, south central Iowa, 40,000 acres, more or less.

Fort Meade, S. Dak., 7,680 acres, more or less.
 Fort Lewis, Wash., 2,830 acres, more or less.
 Maxwell Field, Ala., 100 acres, more or less.

SEC. 2. In order to accomplish the purposes of this act there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated to be expended under the direction of the Secretary of War, the sum of \$5,000,000, approximately one-half of which is authorized to be appropriated in each of the fiscal years 1941 and 1942.

Mr. KING. Mr. President, I should like to inquire whether the War Department approves of the bill, and whether provision can be made for the payment.

Mr. SHEPPARD. Mr. President, this is an authorization bill.

Mr. KING. How much will it cost?

Mr. SHEPPARD. The total authorization is \$5,000,000, but the money will be appropriated as the Appropriations Committee considers each particular project and passes upon it. The War Department favors most of the projects contained in the bill.

Mr. KING. Mr. President, we have now passed bills for the War Department appropriating \$1,000,000,000. One bill carried \$165,000,000, and my understanding is that provision was made in it for the acquisition of land. Then we passed a bill carrying sixty-odd million dollars.

Mr. SHEPPARD. Those bills related mainly to construction. I shall be glad to give the Senate a brief explanation of the measure under consideration.

Mr. KING. I think the bill had better go over in view of the enormous appropriation we have already made for the War Department. The bill calls for \$5,000,000 more.

Mr. SHEPPARD. I think it is due to the committee that I be given an opportunity to explain why the committee favorably reported the bill.

Mr. KING. I have no objection.

Mr. SHEPPARD. Mr. President, the War Department requested authorization of \$5,000,000 to acquire additional land at 11 military reservations for training purposes. In detail the reasons for this land acquisition are:

First. Advances in mechanization and motorization require additional maneuver areas.

Second. Increased ranges of modern weapons and ammunition demand the expansion of existing target ranges in order to safeguard life and property.

Third. Existing antiaircraft target ranges are makeshift in character and entirely inadequate for tactical training since firing is limited to small arcs over land and water.

The War Department states in its report that additional land is required at many other military posts but has refrained from requesting authorization for all the land needed at all posts because of budgetary restrictions.

The committee has added in the bill additional land for three other posts, viz:

Cost

Fort Meade, S. Dak., 7,680 acres	\$12,000
Fort Lewis, Wash., 2,830 acres	100,000
Maxwell Field, Ala., 100 acres	100,000

The additional land for Fort Mead, S. Dak., is needed to provide for training activities of the South Dakota National Guard. The guard of the State is without a permanent State camp. The most economical solution is to provide a suitable maneuver area at Fort Meade.

Fort Lewis, Wash., requires additional land for the improvement of range facilities and expansion of maneuver areas. The troops at this post are handicapped for range facilities because of excepted tracts of land inside the present reservation owned and operated by farmers, and it is to relieve this condition that 2,830 acres are desired.

Maxwell Field, Ala., requires about 100 acres of additional land in order to improve sanitary conditions at this reservation. This land is occupied by dwellings which have no sewage or plumbing facilities.

The bill carries the authorization desired by the Department and the additional items inserted by the committee. The measure meets fundamental and immediate needs. I hope the Senator will permit the bill to pass.

Mr. HILL. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. HILL. Are we not confronted with the situation that it is costing the Government money not to purchase this land for the reason that it is absolutely necessary that the troops have a certain amount of training and carry on a certain number of maneuvers each year, as well as target practice, and today we are being forced to spend a great deal of money in transporting and moving troops over great areas so that they may have the necessary training and target practices, whereas if we bought this land we would save great transportation costs? In other instances we are being forced to rent land. Those rentals run into high figures. They would be saved by the purchase of the land in question. Is it not true that the War Department went over the question of the need for land and combed it and recombined it, and has sent these items here after exhaustive study; that the sum of \$5,000,000 provided in the bill was approved by the Bureau of the Budget; and that the bill is only an authorization bill, and no money is being appropriated at the present time?

Mr. SHEPPARD. The Senator from Alabama is quite correct. I hope the Senator from Utah will allow the bill to pass.

Mr. KING. Mr. President, any appeal which may be made to the Senate or the House for that matter—if I may be permitted to refer to the House—for larger appropriations for military purposes, or for naval purposes, meets with most generous response. There seems to be no opposition to such appeals. Before we adjourn we shall have provided more than \$2,000,000,000 for military and naval purposes for the next fiscal year. Perhaps we may appropriate as much as two and one-half billion dollars. Therefore, \$5,000,000 seems to be quite an insignificant sum. It would appear unimportant when compared with the \$2,000,000,000 plus which we have already appropriated or authorized. I suppose in view of the enormous spending spree indulged in both by the Army and the Navy we had better let the measure pass.

Mr. SHEPPARD. I thank the Senator.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION WORK FOR THE ARMY

The Senate proceeded to consider the bill (S. 2562) to facilitate certain construction work for the Army, and for other purposes, which was read, as follows:

Be it enacted, etc., That to enable the Secretary of War to accomplish without delay or excessive cost those public-works projects for which appropriations are available or may become available, to be located outside the continental limits of the United States, he is hereby authorized to enter into contracts upon a cost-plus-a-fixed-fee basis after such negotiations as he may authorize and approve and without advertising for proposals with reference thereto. Approval by the President shall be necessary to the validity of any contract entered into under authority of this section. The fixed fee to be paid the contractor as a result of any contract entered into under authority of this section shall be determined at or before the time such contract is made, and shall be set forth in such contract. Such fee shall not exceed 10 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of War. Changes in the amount of the fee shall be made only upon material changes in the scope of the work concerned as determined by the Secretary of War, whose determination shall be conclusive.

(b) Negotiations under this section shall be between the Secretary of War, or a duly authorized representative, and three or more reputable and qualified contracting individuals, firms, or corporations regularly engaged in work of comparable magnitude and class to that contemplated by the negotiations, as determined by the Secretary of War, and contracts may be made with any such individual, firm, or corporation, or with any two or more of them jointly, upon such terms and conditions as the Secretary of War may determine to be fair and equitable and in the interests of the national defense. For each contract entered into under authority of this section the Secretary of War may detail an Army officer to duty, without additional compensation, as an executive representative of the contracting officer. The contract shall provide that the officer so detailed shall have the right to attend any meetings of the board of directors or other executive or administrative board or committee of any corporation, partnership, firm, or syndicate which is or may become a party thereto for the purpose of submitting propositions, propounding questions, and receiving information relative to any matter within the purview

of the contract with the intent and for the purpose of safeguarding the interests of the United States, coordinating efforts, and promoting mutually beneficial relationships, and making decisions within the scope of his delegated authority and not in conflict with any provision of the contract.

(c) In any project the contract for which is negotiated under authority of this section, the Secretary of War may waive the requirement of a performance and a payment bond and may accept materials required for any such project at such place or places as he may deem necessary to minimize insurance costs.

(d) The Secretary of War shall report annually to the Congress all contracts entered into under authority of this section, including the names of the contractors and copies of the contracts concerned, together with the amounts thereof.

SEC. 2. Whenever deemed by him to be advantageous to the national defense, and providing that in the opinion of the Secretary of War the existing facilities of the War Department are inadequate, the Secretary of War is hereby authorized to employ, by contract or otherwise, outside architectural or engineering corporations, firms, or individuals for the production and delivery of the designs, plans, drawings, and specifications required for the accomplishment of any public-works or utilities project of the War Department without reference to the Classification Act of 1923 (42 Stat. 1488), as amended (5 U. S. C., ch. 13), or to section 3709 of the Revised Statutes of the United States (41 U. S. C. 5). In no case shall the fee paid for any service authorized by this section exceed 6 percent of the estimated cost, as determined by the Secretary of War, of the project to which such fee is applicable.

Mr. KING. Mr. President, let us have an explanation of that measure.

Mr. SHEPPARD. Mr. President, this is a bill, first, to authorize the Secretary of War to make contracts for the execution of construction projects in foreign possessions under terms at variance with the usual procedure followed in making contracts for work of a similar nature in the continental United States. Second, to authorize the Secretary of War, whenever deemed by him to be advantageous to national defense, to contract with or employ individuals, firms, or corporations for the production of designs, plans, drawings, and specifications for construction of public works without reference to the Classification Act of 1923 or to section 3709, Revised Statutes of the United States.

Very material speeding up of all public works in foreign possessions in planning and execution when the interests of national defense require such expedition.

Section 1 of the bill would permit cost-plus-fixed-fee contracts beyond the continental limits of the United States, and this authority would serve four purposes:

(a) It would permit initiating the work at the earliest practicable date, since complete plans and specifications would not be necessary under such an arrangement.

(b) It would permit the work to be carried on at a faster rate, since necessary changes in the design and construction procedures which are inevitable in work of this character would be made with a minimum of delay.

(c) It would result in lower ultimate cost to the Government.

(d) It would permit a much greater degree of secrecy as to the details of the improvements constructed, since public advertising for bids would not be necessary.

Section 2 of the bill would give authority to contract with or employ individuals, firms, or corporations for the production of designs, plans, drawings, and specifications of public works or utilities without reference to the law which requires advertising and competitive bidding whenever in the opinion of the Secretary of War such procedure would be advantageous to national defense.

The experience of the War Department has shown that it is impracticable to obtain competitive bids from reliable and experienced contractors on work at outlying stations except at substantially increased prices. This arises from the fact that unusual hazards, the uncertainty of weather conditions, the distance from material and labor markets, and the cost of overcoming unforeseen construction difficulties all contribute to the element of uncertainty which requires that a prudent bidder include in his bid a very large item for contingencies. If these contingencies do not arise the Government will pay an excessive profit to the contractor.

The principle of noninsurance of Government property is firmly established. The procedure embodied in section 1

represents no more than an extension of that principle, in that the Government in effect carries the insurance for contingencies which, under ordinary circumstances, would be carried by the contractor and indirectly paid for by the Government.

For work within the continental limits of the United States, where it is practicable to obtain competitive bids and where the contingency item is not large, the usual procedure of competitive bidding is to be preferred. However, in the case of work at outlying stations the procedure recommended in section 1 would be more advantageous to the Government.

Expansion of the Army in an emergency must of necessity be preceded by field investigations and the preparation of plans and specifications for the erection of structures and the provision of public utilities.

Past experience has shown that to achieve such expansion the War Department must avail itself of the services of private individuals and organizations. Thus expansion of the professional and engineering forces within the War Department cannot be accomplished expeditiously. The current emergency-construction program has demonstrated that neither the personnel nor the space required for their work can be obtained quickly.

The obvious alternative is to engage the services of private engineering and architectural firms or individuals to supplement the work of the War Department. In such manner the War Department could not only expedite the preparation of plans and specifications for important construction work, but could also obtain the services of the country's outstanding specialists.

It is desired to eliminate advertising for engineering and architectural services, as is required by section 3709 of the Revised Statutes, for two reasons: First, because such advertising would delay the initiation of the work; and, second, because responding to advertising for professional services of this character is considered to be unethical. The American Society of Civil Engineers and the American Institute of Consulting Engineers have gone on record as being opposed to this practice.

Furthermore, it is as illogical to advertise for the services of an architect or engineering specialist as it would be to advertise for the services of a medical specialist. Standard fees have been established by reputable professional societies for various kinds of engineering and architectural work; so the question of the magnitude of the fee does not enter into the selection of an engineering or architectural firm. The question in each case should be decided upon the special qualifications of the firms under consideration.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Texas yield to the Senator from Utah?

Mr. SHEPPARD. I yield.

Mr. KING. Does the bill contain an authorization for the purchase of land?

Mr. SHEPPARD. None at all.

Mr. KING. However, there is no limitation upon the amount which may be expended under the contracts which may be entered into.

Mr. SHEPPARD. That would depend upon the appropriations made and the authority given.

Mr. KING. Then the bill would not increase the authority of the Government other than to employ specialists outside of continental United States?

Mr. SHEPPARD. That is the point exactly.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FOREIGN BUILDING AND LOAN ASSOCIATIONS IN THE DISTRICT OF COLUMBIA

The bill (H. R. 5288) to amend section 691-a of the Code of Law of the District of Columbia, approved March 3, 1901, and of any act or acts amendatory thereof relating to foreign building and loan associations doing business in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Calendar No. 642, being Senate bill 1908, is an identical bill. Without objection, Senate bill 1908 will be indefinitely postponed.

DR. ANITA NEWCOMB MCGEE—CONGRESSIONAL MEDAL OF HONOR

The Senate proceeded to consider the joint resolution (S. J. Res. 107) authorizing the President of the United States to award the Congressional Medal of Honor to Dr. Anita Newcomb McGee, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 4, after the words "award a" to strike out "Congressional Medal of Honor in the name of the Congress of the United States" and insert in lieu thereof "gold medal of appropriate design"; and at the top of page 2 to insert:

There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this joint resolution.

So as to make the joint resolution read:

Resolved, etc., That the President of the United States is authorized to award a gold medal of appropriate design to Dr. Anita Newcomb McGee in recognition of her splendid service to the United States in organizing a corps of trained nurses for the United States Army during the period of the Spanish-American War and the Philippine Insurrection.

There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this joint resolution.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the President of the United States to award a gold medal of appropriate design to Dr. Anita Newcomb McGee."

OHIO RIVER BRIDGE, SHAWNEETOWN, ILL.

The Senate proceeded to consider the bill (H. R. 4499) authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky, which had been reported from the Committee on Commerce with an amendment, in section 4, page 3, line 15, after the word "including", to strike out "reasonable interest and" and insert in lieu thereof: "interest at a rate of not to exceed 5 percent and reasonable", so as to make the section read:

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including interest at a rate of not to exceed 5 percent and reasonable financing cost, and the cost of the acquisition of any ferries as hereinabove provided, as soon as possible, under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

Mr. KING. Mr. President, I am wondering about the question of interest. Why should the Government be concerned with that question?

Mr. LUCAS. Mr. President, I shall be glad to answer the question. I did not quite understand the Senator's question with regard to the bill.

Mr. KING. Is the bridge to be merely a private bridge, involving no obligation on the part of the Government?

Mr. LUCAS. The Senator is correct. The bridge is being constructed by the county of Gallatin in the State of Illinois, at the Shawneetown, across from Union County, Ky.; and the Government is not financially involved in any way whatsoever.

Mr. KING. Why should there be a provision relating to interest, if interest on the bonds is chargeable only to the county and not to the Government? I ask for information. Why should the Government be interested in determining the rate of interest which the county must pay?

Mr. LUCAS. I will say to the Senator that I cannot answer that question. The amendment was inserted by the Committee on Commerce of the Senate. I have no way of knowing why the Committee on Commerce inserted the amendment.

Mr. OVERTON. Mr. President, as a member of the Senate Committee on Commerce I can offer an explanation. The purpose of lowering the rate of interest on the bonds is to do away as rapidly as possible with toll bridges. The bridge is to remain a toll bridge until a sufficient amount has been collected from the tolls to retire the bonded indebtedness, principal, and interest. If the rate of interest is high, either the tolls must be too high or else the toll program must continue for too long a time. The purpose of reducing the rate of interest is to keep down the tolls and retire the debt as rapidly as possible.

Mr. KING. Does the county object to the bill?

Mr. OVERTON. There is no objection on the part of the county.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. OVERTON. I shall be very glad to yield.

Mr. LUCAS. Does the evidence before the Senator's committee disclose what rate of interest was to be charged upon the bonded indebtedness?

Mr. OVERTON. No. We have adopted a uniform policy in the Commerce Committee of providing that the rate of interest on all toll-bridge bonds shall not exceed 5 percent per annum.

Mr. LUCAS. That is the uniform rate?

Mr. OVERTON. That is the uniform rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MEMPHIS AND LITTLE ROCK BRIDGE COMMISSION

The bill (S. 2242) creating the Memphis and Little Rock Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes, was announced as next in order.

Mr. AUSTIN. Mr. President, reserving the right to object, I should like to inquire if those who have sponsored this bill can answer whether it involves any financial obligation on the part of the Federal Government?

Mr. LEE. Mr. President, is the Senator addressing his remarks to me?

Mr. AUSTIN. I cannot hear what is said; I cannot even identify who is speaking.

Mr. LEE. I cannot hear the Senator either. If he will repeat his question, I will try to catch it this time.

Mr. AUSTIN. The question is whether Calendar No. 723, Senate bill 2242, carries any financial obligation on the part of the Federal Government?

Mr. LEE. No.

Mr. DANAHER. Mr. President, I should like to ask the Senator whether or not the language on page 15, "but shall be chargeable solely to the funds herein provided," refers to funds which are to be provided by the Congress?

Mr. LEE. I will ask the Senator please to repeat his question. I could not hear it.

Mr. DANAHER. On page 15 of the bill, in lines 11 and 12, the Senator will find that the words "the funds herein provided" are used. Does that language refer to funds which the Congress is to be called upon to provide?

Mr. MILLER. Mr. President, will the Senator from Oklahoma yield to me?

Mr. LEE. I yield to the Senator from Arkansas.

Mr. MILLER. Mr. President, answering the question of the Senator from Connecticut, in all probability those words should be stricken out. The bill has been materially amended since it was originally introduced. It originally provided for the issuance of bonds and to secure payment of

the bonds tolls to be collected were pledged. Under the amendments offered by the Senator from Tennessee and adopted by the committee the provision for tolls and the provision for the issuance of bonds by the Bridge Commission have been eliminated from the bill. So the bill as it now stands merely gives authority to the Bridge Commission to erect a bridge across the Mississippi River, without providing any funds from any source, except it does provide that Federal aid may be extended out of money allocated to the State of Tennessee and to the State of Arkansas, with the consent of the highway commissions of those States. So I think the point made by the Senator is a perfectly valid one, and that those words should be stricken from the bill, because no funds are provided by it.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. DANAHER. I inquire if the Senator has the bill before him.

Mr. MILLER. I have.

Mr. DANAHER. Will the Senator not amend it by striking out the language commencing in line 11 "but shall be chargeable solely to the funds herein provided"?

Mr. AUSTIN. Mr. President, I suggest that the bill go over. There are other points of inquiry involved.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

BILLS PASSED OVER

The bill (S. 2110) to provide for purchase of fish (including shellfish) and products thereof by the Federal Surplus Commodities Corporation was announced as next in order.

Mr. KING. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1996) to amend the National Stolen Property Act was announced as next in order.

SEVERAL SENATORS. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TRANSMISSION OF FRANKABLE MATTER THROUGH THE MAILS

The Senate proceeded to consider the joint resolution (S. J. Res. 134) to amend section 6 of the Post Office Department Appropriation Act, 1940, approved May 6, 1939, relative to the transmission of certain matter through the mails free of postage, which had been reported from the Committee on Appropriations, with amendments, on page 1, line 6, after the word "amended" to strike out "by adding after the last word thereof the words 'or to the Federal, State, or other public authorities', so as to make the entire section, as amended, read", and inserting "to read as follows":; on page 2, line 3, after the word "correspondence", to insert "including such enclosures as are reasonably related to the subject matter of the correspondence; informational releases in connection with the decennial census of the United States"; on line 8, after the word "blanks", to insert "and copies of statutes, rules, regulations, and instructions and administrative orders and interpretations"; in line 12, after the word "independent", to strike out "establishment" and insert "establishment"; in line 14, after the word "law", to insert "or such document is transmitted to inform the recipient thereof of the adoption, amendment, or interpretation of a statute, rule, regulation, or order to which he is subject."; on page 3, line 5, after the word "agricultural", to strike out "bulletins or of" and insert "bulletins"; and, on line 7, after the word "Documents", to insert "or of announcements of publications of maps, atlases, statistical, and other reports offered for sale by the Federal Power Commission as authorized by section 312 of the Federal Power Act", so as to make the joint resolution read:

Resolved, etc., That section 6 of the Treasury and Post Office Departments Appropriation Act, fiscal year 1940 (Public, No. 65, 76th Cong.), approved May 6, 1939, is hereby amended to read as follows:

"SEC. 6. On and after July 1, 1939, no executive department or independent establishment of the Government shall transmit through the mail free of postage, any book, report, periodical, bulletin, pamphlet, list, or other article or document (except official letter correspondence, including such enclosures as are reasonably related to the subject matter of the correspondence; informational releases in connection with the decennial census of the United

States, mail concerning the sale of Government securities, and all forms and blanks and copies of statutes, rules, regulations, and instructions and administrative orders and interpretations necessary in the administration of such departments and establishments), unless a request therefor has been previously received by such department or independent establishment; or such transmission is required by law; or such document is transmitted to inform the recipient thereof of the adoption, amendment, or interpretation of a statute, rule, regulation, or order to which he is subject. For each quarter, beginning with the quarter commencing July 1, 1939, the head of each independent establishment and executive department (other than the Post Office Department) shall submit to the Postmaster General, within 30 days after the close of the quarter, a statement of the weight of the mail matter by classes of mail that the independent establishment or department has transmitted free of postage during such quarter, and he shall also certify to the Postmaster General at the end of each such quarter that nothing was transmitted through the mail free of postage by the independent establishment or department in violation of the provisions of this section: *Provided*, That nothing herein shall be construed to prohibit the mailing free of postage of lists of agricultural bulletins, lists of public documents which are offered for sale by the Superintendent of Documents, or of announcements of publications of maps, atlases, statistical, and other reports offered for sale by the Federal Power Commission as authorized by section 312 of the Federal Power Act: *Provided further*, That this prohibition shall not apply to the transmission of such books, reports, periodicals, bulletins, pamphlets, lists, articles, or documents to educational institutions or public libraries, or to Federal, State, or other public authorities."

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2259) to amend laws for preventing collisions of vessels, to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes was announced as next in order.

Mr. WHITE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

OFFICERS' COMPETENCY CERTIFICATES CONVENTION

The bill (H. R. 3576) to make effective the provisions of the Officers' Competency Certificates Convention, 1936, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That title 52 of the Revised Statutes is amended by inserting after section 4438 thereof a new section designated section 4438a, to read as follows:

"Sec. 4438a. (1) That the Officers' Competency Certificates Convention, 1936 (International Labor Organization Draft Convention No. 53, 'concerning the minimum requirement of professional capacity for masters and officers on board merchant ships'), as ratified by the President on September 1, 1938, with understandings appended, and this section shall apply to all vessels, however propelled, navigating on the high seas, which are registered, enrolled, and licensed, or licensed under the laws of the United States, whether permanently, temporarily, or provisionally, including yachts enrolled and licensed, or licensed, with the exception of—

"(a) Ships of war;

"(b) Government vessels, or vessels in the service of a public authority, which are not engaged in trade;

"(c) Wooden ships of primitive build, such as dhows and junks;

"(d) Unrigged vessels;

"(e) All vessels of less than 200 gross tons.

"(2) All laws in effect on the effective date of this section covering the issuance, duration, renewal, suspension, and revocation of licenses of masters, mates, chief engineers, and assistant engineers be, and they are hereby, made applicable to the issuance, duration, renewal, suspension, or revocation of licenses of masters, mates, chief engineers, and assistant engineers of all vessels to which the Officers' Competency Certificates Convention, 1936, and this section apply, to such extent and upon such conditions as may be required by the regulations of the Board of Supervising Inspectors with the approval of the Secretary of Commerce: *Provided*, That examinations for licenses of masters, mates, chief engineers, and assistant engineers of fishing vessels, not subject to the inspection laws of the United States, shall be oral: *Provided further*, That applicants for licenses as masters, mates, chief engineers, and assistant engineers of fishing vessels not subject to the inspection laws of the United States shall not be required to obtain a certificate from the United States Public Health Service based upon the subject of ship sanitation, and first aid.

"(3) Any license issued (whether before, or on, or after the effective date of this section) to a master, mate, chief engineer, or assistant engineer of a vessel to which this section applies shall be deemed to be a certificate of competency for a master or skipper, navigating officer in charge of a watch, chief engineer, or engineer in charge of a watch, respectively.

"(4) No person shall be engaged to perform, or shall perform on board any vessel to which this section applies, the duties of

master, mate, chief engineer, or assistant engineer unless he holds a license to perform such duties, issued in accordance with the provisions of subsection 2 of this section: *Provided*, That a license as master, mate, chief engineer, or assistant engineer of vessels subject to this section may be issued without examination at any time prior to October 29, 1941, to any applicant who has had sufficient practical experience in the position for which he applies to be licensed and has no record of any serious technical error against him: *Provided further*, That no person to whom a license as master, mate, chief engineer, or assistant engineer is issued without examination may serve under authority of that license as master, mate, chief engineer, or assistant engineer on any vessel subject to the inspection laws of the United States.

"(5) It shall be unlawful to engage or employ any person or for any person to serve as a master, mate or engineer on any such vessel who is not licensed by the inspectors; and anyone violating this section shall be liable to a penalty of \$100 for each offense.

"(6) If any collector of customs has reason to believe, on complaint or otherwise, that a vessel subject to this section and to the regulations established thereunder is about to proceed to the high seas from a port in the United States or any Territory over which the United States exercises jurisdiction, except the Philippine Islands and the Panama Canal Zone, in violation of any provision of this section or of any provision of the Officers' Competency Certificates Convention, 1936, he may, by written order served on the master or officer in charge of such vessel, detain her until such time as this section shall have been complied with. Clearance shall be refused to any vessel which shall have been ordered detained. If the vessel be ordered detained the master may, within 5 days, appeal to the Secretary of Commerce, who may, after investigation, affirm, set aside, or modify the order of the collector.

"(7) Foreign vessels to which the Officers' Competency Certificates Convention, 1936, applies shall be subject to such inspection, within the jurisdiction of the United States, except the Philippine Islands and the Panama Canal Zone, as may be necessary to determine that there has been a compliance with the terms of the convention, and in case of any breach of the provisions of the convention by such vessel the collector of customs may, by written order served on the master or officer in charge of such vessel, detain her and refuse clearance to her until such time as the convention shall have been complied with; the collector shall also immediately notify the consul of the country in which the vessel is registered. If the vessel be ordered detained, the master may, within 5 days, appeal to the Secretary of Commerce, who may, after investigation, affirm, set aside, or modify the order of the collector.

"(8) No provision of the Officers' Competency Certificates Convention, 1936, or of this section, shall apply to any vessel of the United States of less than 200 gross tons, nor shall any provision of that convention or this section be deemed to alter, amend, or repeal any statute of the United States in effect on the effective date of this section with regard to any such vessel.

"(9) The Secretary of Commerce shall establish such regulations as may be necessary to secure the enforcement of the provisions of this section by any officer of the United States authorized to enforce the navigation or inspection laws of the United States.

"(10) The Secretary of Commerce or any officer of the Department of Commerce authorized by the Secretary of Commerce may, upon application therefor, remit or mitigate any fine or penalty incurred under this section or any regulation thereunder.

"(11) No provision of the Officers' Competency Certificates Convention, 1936, nor of this section, shall apply to any vessel, however propelled, navigating on the Great Lakes.

"(12) Where used in this section—

"(a) The term 'high seas' means all waters outside the line dividing the inland waters from the high seas, as defined in section 2 of the act of February 19, 1895.

"(b) The term 'unrigged vessel' means any vessel that is not self-propelled.

"(13) Nothing contained in the Officers' Competency Certificates Convention, 1936, nor in this section, shall be deemed to extend any provision of section 2 of the act of March 4, 1915, as amended (U. S. C., 1934 ed., Supp. IV, title 46, sec. 673), or to alter, modify, or repeal any statute of the United States in effect on the effective date of this section, except as hereinbefore provided.

"(14) This section shall become effective on October 29, 1939: *Provided*, That licenses may be issued by boards of local inspectors in accordance with the provisions of this section at any time prior to such date.

"(15) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section."

BILL PASSED OVER

The bill (H. R. 4983) an act to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisition of vessels, was announced as next in order.

Mr. WHITE. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

INVESTIGATION OF METHODS OF HANDLING EXPRESS AND FREIGHT TRAFFIC

The resolution (S. Res. 146) submitted by Mr. WHEELER and Mr. REED on June 19, 1939, was considered and agreed to, as follows:

Resolved, That the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed

to make a full and complete investigation and study with respect to (1) the nature and legality of the methods now employed by common carriers by railroad subject to the Interstate Commerce Act for the handling of their express traffic, their forwarder or consolidated carload freight traffic, and their freight traffic in less-than-carload lots; and (2) the possibility of improving the methods of handling such classes of traffic in the interest of economy and of better service to the public. The committee shall report to the Senate, at the beginning of the next regular session of the Congress, the results of its investigation and study, together with its recommendations, if any, for legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to request the Interstate Commerce Commission and any of the executive departments or other agencies of the Government to furnish to it clerical and expert assistance in the conduct of, and any information in their possession with respect to matters within the scope of, such investigation and study.

BILLS PASSED OVER

The bill (S. 2611) authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2635) to amend the Federal Crop Insurance Act was announced as next in order.

Mr. KING. Let the bill go over.

Mr. AUSTIN. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The Senator from Utah has asked that the bill go over.

Mr. KING. Let the request of the Senator from Vermont be complied with.

The PRESIDING OFFICER. The Senator from Vermont has requested an explanation of the bill.

Mr. AUSTIN. In the absence of an explanation, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 577) extending civil service to certain postmasters was announced as next in order.

Mr. AUSTIN. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PROCUREMENT OF DIVORCES BY MAIL SOLICITATION

The bill (S. 2245) to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That every written or printed card, circular, letter, book, pamphlet, advertisement, or notice of any kind, giving or offering to give information concerning where or how or through whom a divorce may be secured in a foreign country, and designed to solicit business in connection with the procurement thereof, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier. Whoever shall knowingly deposit, or cause to be deposited, for mailing or delivery, anything declared by this section to be nonmailable, or shall knowingly take or cause the same to be taken from the mails for the purpose of circulating or disposing thereof, shall be fined not more than \$5,000 or imprisoned for not more than 5 years, or both.

SEC. 2. Nothing herein contained shall be construed to preclude criminal prosecution under the provisions of section 338, title 18, United States Code (Criminal Code, sec. 215), in any case in which the mails are used by any person in furtherance of any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises.

BILL PASSED OVER

The bill (S. 2246) to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

The PRESIDING OFFICER. The Senator from Utah requests an explanation of this bill.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ANNUAL AND SICK LEAVE FOR POSTAL SUBSTITUTES

The Senate proceeded to consider the bill (H. R. 5479) granting annual and sick leave with pay to substitutes in the Postal Service which had been reported from the Com-

mittee on Post Offices and Post Roads with amendments at the top of page 2 to insert three new sections, as follows:

SEC. 2. No substitute shall be entitled to sick leave for an illness or disability incurred while such substitute is not on active duty or on annual leave.

SEC. 3. In no event shall a substitute employee be granted more than 15 days' annual and 10 days' sick leave allowed by existing law to regular employees.

SEC. 4. No substitute shall be entitled to the benefits of this act until he has served 2,448 hours.

And on page 2, line 10, to change the section number from "2" to "5"; so as to make the bill read:

Be it enacted, etc., That hereafter substitutes in the Postal Service shall be rated as employees and each substitute postal employee in the classified civil service shall be granted the same rights and benefits with respect to annual and sick leave that accrue to regular employees in proportion to the time actually employed. Sick leave shall be computed on the basis of illness or disability incurred during the period of actual employment in the Postal Service.

SEC. 2. No substitute shall be entitled to sick leave for an illness or disability incurred while such substitute is not on active duty or on annual leave.

SEC. 3. In no event shall a substitute employee be granted more than 15 days' annual and ten days' sick leave allowed by existing law to regular employees.

SEC. 4. No substitute shall be entitled to the benefits of this act until he has served 2,448 hours.

SEC. 5. The Postmaster General is authorized and directed to prescribe such rules and regulations as may be necessary or appropriate to carry out the provisions of this act.

Mr. KING. Mr. President, I notice that the Bureau of the Budget states that this bill is not in accord with the program of the President.

Mr. MEAD. Mr. President, I will be glad to answer any question.

Mr. KING. I called attention to the fact that the Acting Postmaster General apparently reports unfavorably on the bill.

Mr. MEAD. The Postmaster General reported unfavorably on the House bill. The Senate committee considered and approved three amendments, one of them specifically recommended by the Postmaster General. All three of them, in the opinion of the Senate committee, will receive the approval of the Post Office Department.

The bill as it passed the House of Representatives would give to postal substitutes sick leave and vacation allowance from the time they were originally appointed as substitutes. The bill as reported to the Senate requires that they shall put in 2,448 hours before they shall be entitled to any consideration so far as sick leave and vacation allowance is concerned. The Senate bill further provides that no sick-leave time shall be credited to them unless the sickness or illness or disability occurred while in the active performance of their duties.

The third amendment was suggested by the Department itself. It provides that under no circumstances shall a substitute receive in excess of 15 days' vacation or 10 days' sick leave in any one year.

So the Senate Post Office Committee believe their amendments will receive the approval of the Post Office Department. The Senate committee also believe that these faithful employees of the Postal Service—some of them with 8, 9, and 10 years of service—are really postal employees. The bill is designed to get around a decision of the Comptroller General which holds that substitutes are not postal employees but are employees of the postmaster. As the result of a decision of the Comptroller General, the legislative efforts of the Congress over a period of 10 years on many occasions, aimed to benefit the substitutes' condition of employment, have been nullified.

The bill will make these substitutes bona fide postal employees and will give them the benefits of sick leave and vacation time in proportion to the amount of time put in by them in actual service, and no more. We give the same consideration to W. P. A. employees and to the emergency employees of the various bureaus. I believe these postal employees are entitled to equal consideration.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

S. A. ROURKE

The bill (S. 324) for the relief of S. A. Rourke was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, on yesterday the House of Representatives passed an identical bill, House bill 733. I ask unanimous consent that the Senate consider the House bill instead of the Senate bill.

The PRESIDING OFFICER. The clerk informs the chair that the House has not yet sent the bill to the Senate.

Mr. THOMAS of Oklahoma. Under those conditions, I presume it would not be proper to ask for consideration of the Senate bill, because efficiency would dictate that this body consider the House bill.

The PRESIDING OFFICER. The bill may go over until the Senate receives a message from the House transmitting the House bill.

Mr. THOMAS of Oklahoma. It may be that the House bill will be messaged over before the present session adjourns. If so, I reserve the right to call up the bill at that time.

The PRESIDING OFFICER. The bill will be temporarily passed over.

HELEN M. CROWLEY

The Senate proceeded to consider the bill (S. 119) for the relief of Helen M. Crowley, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and to insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helen M. Crowley, of Waterbury, Conn., the sum of \$2,000, in full settlement of all her claims against the United States for the death of her husband, Ralph L. Crowley, late electrician's mate, first-class, United States Coast Guard, who died March 28, 1930, as a result of injuries sustained in line of duty: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, let the bill go over. I see that there is an adverse report, as I interpret it, from the late Secretary of the Treasury on the bill.

Mr. MALONEY. Mr. President, did the Senator from Utah ask for an explanation of the bill or request that it go over?

Mr. KING. I just happened to pick up the report of the late Secretary of the Treasury in opposition to the bill.

Mr. MALONEY. I call the attention of the Senator, if I may, to the fact that the report of the then Secretary of the Treasury admits the finding of the Claims Committee that the man was killed while in active service and in the line of duty. The Secretary of the Treasury found that the condition claimed was true, that the man lost his life as the result of a situation for which the Department was at fault. I call the Senator's further attention to the fact that the recommendation of the Department against the passage of the bill is routine and customary. It admits that everything claimed is true; that the man did lose his life in active service as a result of negligence on the part of the Government; and, of course, the Claims Committee unanimously reported the bill. If we are to follow the recommendations of the Treasury Department or other Departments on bills of this sort we shall never have them passed, because the Departments always, as a matter of procedure, simply on the ground that the bills establish a precedent, recommend against their passage.

Mr. KING. Under the Senator's statement I have no objection to the consideration of this bill, but if he will pardon me, an examination of hundreds of reports convinces me that the Departments are pretty generous in some of their recommendations.

Mr. MALONEY. I thank the Senator for his willingness to see the bill passed, or for withdrawing his objection; but the Department has not been so generous in this instance. The Claims Committee cut down considerably the amount appropriated by the bill; and the finding of the then Secretary of the Treasury is in accord with the finding of the Claims Committee.

I thank the Senator.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. KING. Mr. President, if the Senator from Connecticut will pardon me, in corroboration of my statement a moment ago, I desire to say that I have before me two reports, one with respect to Senate bill 2491, Calendar No. 743, in which the Department recommends enactment of the bill, and one with respect to Senate bill 1953, Calendar No. 744, in which the Department recommends enactment of the bill. So I think I am correct in stating that the departments are sometimes pretty generous.

Mr. MALONEY. I will not say that the departments are not sometimes pretty generous, but in connection with this bill I do not think anybody has been generous.

Mr. KING. I understood the Senator's statement to be a little too broad—that the departments, because enactment of the bills might establish a precedent, always report adversely. I note by examination of hundreds of reports that they make many favorable recommendations.

Mr. MALONEY. If I said "always," I meant to say "customarily."

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EDWARD J. GEBHART

The Senate proceeded to consider the bill (S. 2491) for the relief of Edward J. Gebhart, which had been reported from the Committee on Claims with amendments, on page 2, line 3, after the word "disability", to insert "alleged to have been", and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended and supplemented, are hereby waived in the case of Edward J. Gebhart, of Orient, S. Dak.; and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of enactment of this act, by the said Edward J. Gebhart for compensation under the provisions of such act of September 7, 1916, as amended and supplemented, for disability alleged to have been due to injuries sustained by him on February 6, 1937, in the performance of his duties as a rural carrier at Orient, S. Dak.: *Provided,* That no benefits shall accrue prior to the approval of this act.

Mr. KING. Mr. President, this bill has the favorable recommendation of the Department. Let it go through.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. A. R. BARNARD AND OTHERS

The bill (S. 1953) for the relief of Mrs. A. R. Barnard, Charles A. Stephens, Donald W. Prairie, and Mrs. Vern A. Needles was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. A. R. Barnard, Portland, Oreg., the sum of \$672.80; to Charles A. Stephens, Newport, Oreg., the sum of \$352; and to Donald W. Prairie, Portland, Oreg., the sum of \$300; in all, \$1,324.80, in full settlement of all their claims against the United States for loss of the motorboat *M. W. Sloan*, which was capsized and destroyed while rendering assistance to the disabled Coast Guard motor lifeboat No. 4473 and crew of the Siuslaw Station, Florence, Oreg., on March 7,

1938; and to Mrs. Vern A. Needles, Newport, Oreg., widow of Vern A. Needles, the sum of \$5,000, in full satisfaction of her claim against the United States for the death of her husband who, as a member of the crew of the motorboat *M. W. Sloan*, was drowned when such motorboat was capsized and destroyed as aforesaid: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The PRESIDING OFFICER subsequently said: The Chair is informed that the Senate, during the call of the calendar today, passed Senate bill 1953, for the relief of Mrs. A. R. Barnard and others. Subsequently, the House transmitted to the Senate an identical bill, House bill 5346, passed by it on yesterday. Without objection, the House bill will be considered as having passed in lieu of the Senate bill, and the vote on the passage of the Senate bill will be reconsidered, and the bill indefinitely postponed. Is there objection? The Chair hears none, and it is so ordered.

JOHN CHASTAIN AND MOLLIE CHASTAIN

The Senate proceeded to consider the bill (H. R. 3541) for the relief of John Chastain and Mollie Chastain, his wife, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Chastain and Mollie Chastain, his wife, of Soledad, Monterey County, Calif., the sum of \$3,500. The payment of such sum shall be in full settlement of all claims of the said John Chastain and Mollie Chastain, his wife, against the United States for the death of their minor son, Thomas Chastain, on August 11, 1937, when he was struck down and killed by a truck, the property of the United States, in the service of the Civilian Conservation Corps, on the Salinas River Bridge on Highway No. 101, 1 mile south of Soledad, Monterey County, Calif.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, this bill also has a favorable recommendation from the Department.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

PARKER M'KEE, SR., AND LOUISE M'KEE

The bill (S. 2083) conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claims of Parker McKee, Sr., and Louise McKee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claims of Parker McKee, Sr., and Louise McKee, of Woodbury, N. J., against the United States for damages for the death of their son, Parker McKee, Jr., as the result of a landslide which occurred at official project No. 165-22-3018 of the Works Progress Administration, in Woodbury, N. J., on April 7, 1937.

SEC. 2. In the determination of such claims the United States shall be held liable for the acts of its officers and employees to the same extent as if it were a private person, except that any judgment rendered on such claims shall not be for any amount in excess of \$5,000.

SEC. 3. Suit upon such claims may be instituted at any time within 1 year after the date of enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, and appeals from and payment of, any judgment thereon shall be in the same manner as in the case of claims over which such court has jurisdiction under the provisions of paragraph "Twentieth" of section 24 of the Judicial Code, as amended.

CITY OF LEAVENWORTH, KANS.

The Senate proceeded to consider the bill (S. 1289) for the relief of the city of Leavenworth, Kans., which had been reported from the Committee on Claims with amendments,

on page 1, line 6, after the word "of", to strike out "\$66,552.30. Such sum represents the actual contract cost to the city of Leavenworth, Kans." and insert "\$14,000, in full settlement of all claims against the United States growing out", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of Leavenworth, Kans., the sum of \$14,000, in full settlement of all claims against the United States growing out of the construction during 1938 of a new intake from the Missouri River and of certain sewer extension work made necessary by such new intake. Such new intake was made necessary by the diversion of the water of the river from the old intake in the carrying out of a Federal project to make the river a navigable stream: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, let us have an explanation of this bill.

Mr. CAPPER. Mr. President, I read from the report of the committee. The committee went very thoroughly into the merits of the measure:

The bill, as amended, provides for the payment of \$14,000 to the city of Leavenworth, Kans., in full settlement of all claims against the United States growing out of the construction during 1938 of a new intake from the Missouri River and of certain sewer extension work made necessary by such new intake. Such new intake was made necessary by the diversion of the water of the river from the old intake in the carrying out of a Federal project to make the river a navigable stream.

On March 25, 1938, a resolution was adopted by the Committee on Rivers and Harbors, House of Representatives, requesting the Board of Engineers for Rivers and Harbors to review the reports on the Missouri River from Kansas City, Mo., to Sioux City, Iowa, with a view to determining whether the waterworks improvements at the city of Leavenworth had been damaged by navigation improvements, the extent of such damages, and the advisability of taking remedial action or of making reimbursement therefor.

The views and recommendations of the Board of Engineers for Rivers and Harbors, are as follows:

"The Board concurs with the division engineer that the damage to the water intake at Leavenworth, Kans., traceable to navigation improvements, is \$14,000. The Board invites attention to the navigable status of the Missouri River. Structures built in a navigable river are subject to the paramount right of the Federal Government to improve navigation. The intake has been in operation since 1883 and is reported to have functioned properly until the dikes were built. These navigation-improvement works were necessary and have been prosecuted under authority of acts of Congress. The damages are incident to the legitimate and proper exercise of governmental powers for the improvement of navigation. There is no legal liability upon the Government to make reimbursement for the damage. The Board therefore reports, in response to the committee resolution, that the waterworks improvement at the city of Leavenworth, Kans., has been damaged by navigation improvements; that the extent of such damage is \$14,000; and that in view of long-established precedents and practices in like cases it is unable to recommend remedial action or reimbursement therefor."

The Board of Engineers admit that the waterworks improvement at the city of Leavenworth has been damaged by navigation improvements; that the extent of such damage is \$14,000, but that there is no legal liability upon the Government to make reimbursement for the damage.

After reviewing all the facts—

And I repeat that the committee went into the merits of the matter very carefully and thoroughly—

the judgment of your committee is that the claim contains such elements of equity as to warrant favorable action by the Congress, and it is accordingly recommended that the city of Leavenworth be paid the sum of \$14,000, which is the amount of damage as ascertained by the Board of Engineers.

Personally, I think the city should have had the full amount of \$66,000; but the Committee on Claims recommended the payment of the reduced amount.

Mr. KING. Mr. President, will the Senator yield?

Mr. CAPPER. I yield.

Mr. KING. The Acting Secretary of War reports adversely on the bill.

Mr. CAPPER. Only on the ground that there is no legal liability. He does not say that in equity and justice

the claimants are not entitled to relief. As a matter of fact, it is a fair and reasonable claim, and the award should have been for the full amount.

Mr. KING. I would have no objection to remitting the matter to the Court of Claims for the establishment of the equitable right to recovery.

Mr. CAPPER. I do not believe there would be any different finding than has been reached by the Committee on Claims.

Mr. KING. Mr. President, I have no objection to the bill passing, with the understanding that if, after further communication with the War Department, I desire to do so, I may move to recommit.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRADING AND CLASSIFICATION OF FOREIGN-SERVICE CLERKS

The bill (S. 2663) to amend the act entitled "An act for grading and classification of clerks in the Foreign Service of the United States of America and providing compensation therefor," approved February 23, 1931, as amended, was announced as next in order.

Mr. GEORGE. Mr. President, an identical bill passed the House on yesterday, but has not yet been messaged to the Senate. I ask unanimous consent that Senate bill 2663 go over, and that when the message is received from the House of Representatives the bill then be considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PRINTING OF EXECUTIVE JOURNALS OF THE SENATE

The resolution (S. Res. 153) authorizing the printing of the Executive Journals of the Senate, was considered and agreed to as follows:

Resolved, That 500 copies of the Executive Journal from the beginning of the Seventy-second Congress up to and including the end of the first session of the Seventy-sixth Congress be printed under the direction of the Secretary of the Senate, with suitable indexes to each volume; and that hereafter the same number of copies of the Executive Journal with proper indexes be printed at the close of each regular and special session of the Senate; and be it further

Resolved, That the Executive Journals herein referred to shall not be made public except by the order of the Senate.

EXCHANGE OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN MATERIALS

The Senate proceeded to consider the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, which had been reported from the Committee on Banking and Currency with amendments.

Mr. AUSTIN. Mr. President, I wish to inquire of the Senator from South Carolina concerning two or three provisions of the bill. I do not intend to obstruct its consideration. On page 1, line 5, I find the word "agreement." Why is that word used instead of "treaty"?

Mr. BYRNES. While the instrument is in the form of a treaty it does represent an agreement. Even outside of the language of the treaty there are some agreements to be made which are provided for in the treaty, and the legislative draftsman thought the word "agreement" would be the most comprehensive word.

Mr. AUSTIN. Is it, then, the intention of the Senator that agreements to be entered into in the future shall also have the approval of the Senate?

Mr. BYRNES. It certainly is. So far as any one now in position to answer is concerned, it is the intent to have any agreement in the nature of a treaty approved by the Senate, and I am certainly very strongly of the opinion that that should be done.

Mr. AUSTIN. On page 2, line 5, and surrounding lines, a board is proposed to be set up. I ask the Senator whether he is disposed to coordinate this bill with the bill already enacted into law relating to strategic materials and stock piles.

Mr. BYRNES. Mr. President, the Senator from Vermont inquired of me a few days ago with reference to that matter, and I think he is correct in suggesting that that should be done, and I intend to offer two amendments which will accomplish the purpose he has in mind.

Mr. AUSTIN. My next question is with respect to the agricultural commodities referred to in line 10. Does the Senator intend to limit the power granted by the bill to procure quantities of agricultural commodities for use in exchange for strategic materials?

Mr. BYRNES. It is limited by the language of the bill, but the particular language in line 10 was intended to apply to the purposes set forth in the measure, so that there would be no doubt that it did not have reference to any other agricultural commodity, but only to such commodities as were essential to carry out a treaty between the two countries.

Mr. AUSTIN. I thank the Senator.

Mr. BYRNES. I send to the desk amendments which I ask to have considered in order to perfect the bill as suggested by the Senator from Vermont.

Mr. GURNEY. Mr. President, I have been requested by the junior Senator from Connecticut [Mr. DANAHER] to ask that this bill go over.

Mr. BYRNES. The Senator from Connecticut has requested that it be passed over?

Mr. GURNEY. He has requested that it be passed over; yes.

Mr. BYRNES. There is nothing I can do about it, then.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

RESTORATION OF BENEFITS TO WORLD WAR VETERANS

The Senate proceeded to consider the bill (H. R. 2296) to restore certain benefits to World War veterans suffering with paralysis, paresis, or blindness, or who are helpless or bedridden, and for other purposes, which had been reported from the Committee on Finance with amendments, on page 1, line 6, after the word "disability", to insert the words "and who was in receipt of compensation therefor on March 19, 1933"; on page 2, line 3, to strike out "1934" and insert "1934, as amended by section 5 of Public Law No. 304, Seventy-fifth Congress, August 16, 1937"; on line 9, after the words "Provided further," to strike out "That where a World War veteran dies or has died from disease or injury, and service connection for such disease or injury is established under the provisions of this act, the surviving widow, child, or children, and/or dependent parents shall be entitled to receive compensation at the rates prescribed in Veterans Regulation No. 1 (a), part I, paragraph IV, and amendments thereto: *Provided further*, That for the purposes of awarding compensation under this act, service connection of disability may be determined or redetermined in any cases where claim has been or is filed by the veteran, widow, child, or children and/or dependent parent or parents", and insert "That where a World War veteran dies or has died from disease or injury, service connection of which is or would have been reestablished under the provisions of this act, his surviving widow, child, or children, if otherwise eligible thereto, shall be awarded death compensation under Public Law No. 484, Seventy-third Congress, as amended"; on page 3, after line 2, to strike out section 2, as follows:

Sec. 2. In the administration of the laws granting benefits for service-connected disabilities or deaths, any increase of disability during World War service shall be deemed aggravation in the application of the rules, regulations, and interpretations of the Veterans' Administration.

On page 3, line 8, after the word "Payments", to insert "to veterans restored to the rolls"; on line 10, after the word "act", to insert "and payments to widows or children shall be effective the date of enactment of this act", so as to make the bill read:

Be it enacted, etc., That on and after the date of enactment of this act any World War veteran suffering from paralysis, paresis, or blindness, or who is helpless or bedridden, as the result of any disability, and who was in receipt of compensation therefor on March 19, 1933, may be awarded compensation under the laws and interpretations governing this class of cases prior to the enactment

of Public Law No. 2, Seventy-third Congress, March 20, 1933, subject, however, to the limitations, except as to misconduct or willful misconduct, contained in sections 27 and 28 of Public Law No. 141, Seventy-third Congress, March 28, 1934, as amended by section 5 of Public Law No. 304, Seventy-fifth Congress, August 16, 1937: *Provided*, That the language herein contained shall not be construed to reduce or discontinue compensation authorized under the provisions of section 26 of Public Law No. 141, Seventy-third Congress: *Provided further*, That where a World War veteran dies or has died from disease or injury, service connection of which is or would have been reestablished under the provisions of this act, his surviving widow, child, or children, if otherwise eligible thereto, shall be awarded death compensation under Public Law No. 484, Seventy-third Congress, as amended.

Sec. 2. Payments to veterans restored to the rolls under the provisions of this act shall be effective the date of enactment of this act and payments to widows or children shall be effective the date of enactment of this act or the date of filing claim therefor, whichever is the later.

The amendments were agreed to.

Mr. GEORGE. Mr. President, this is a House bill, and as the bill passed the House it included all cases of the character described in the bill, and all cases where the veteran had sustained disabilities of the character described in the bill. The Senate Committee on Finance has amended the bill so as to restrict its application to those veterans who were on the rolls on March 19, 1933, and who were eliminated from the rolls by the Economy Act. By the language of the amendment it will appear that it is applicable only to those World War veterans "suffering from paralysis, paresis, or blindness, or who is helpless or bedridden, as the result of any disability," and so forth.

The blind veterans have already been restored to the rolls. Their classification is simply repeated here, because they were in the same class with other veterans whose disabilities had progressed to the point where they were totally and permanently disabled as the result of paralysis, paresis, or total blindness, and were bedridden patients.

The bill as amended will apply only to those World War veterans who were on the rolls as of the date stated. It is not as broad as the bill passed by the House. The cost to the Government under the bill, of course, will be considerably reduced.

The payments to veterans whose disabilities are presumptively service-connected will be reduced from what the law formerly provided to 75 percent of the compensation where there is direct proof of service connection.

The bill will apply to approximately 1,100 World War veterans—that is to say, 1,100 World War veterans were cut off the rolls by the Economy Act. Of course, many of them are dead. The rights of the dependents of those who have passed away are preserved, and the dependents will take as the veterans were authorized to take under the law as it stood prior to the enactment of the economy law.

While the bill does not affirmatively carry the approval of the Veterans' Administration, nevertheless the Veterans' Administrator attended the hearings and has been consulted and advised with in the preparation of a bill which it is hoped may meet with the approval of the President if it is passed.

Mr. President, the bill covers the cases which are most appealing in that they are all cases of permanent total disability, and is confined, as I have just stated, by the Senate Finance Committee to those cases which were on the rolls on March 19, 1933.

Mr. KING. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. KING. Has there been any adverse recommendation by the Administrator, General Hines?

Mr. GEORGE. None has been made to our committee. General Hines, as I understand, stated that he was not in position to give affirmative approval to the bill, but as amended the committee believed, at least, that he would recommend the approval of the bill by the President.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXTENSION OF CIVIL SERVICE RETIREMENT TO CERTAIN POSTMASTERS

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to revert to Calendar 734, Senate bill 577. The bill was passed over in my absence.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 577) extending civil service to certain postmasters, which was read, as follows:

Be it enacted, etc., That section 3 of the Civil Service Retirement Act, approved May 29, 1930, as amended, is amended by striking out all of that portion of section 3 beginning with paragraph (g) thereof and continuing to the end of the section, and inserting in lieu thereof the following:

(g) Postmasters of the first, second, and third classes who have been or may be appointed under the provisions of the act of June 25, 1938, and postmasters of the fourth class.

This act shall not apply to such employees of the Lighthouse Service as come within the provisions of section 6 of the act of June 20, 1918, entitled "An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes," nor to members of the police and fire departments of the municipal government of the District of Columbia, nor to such employees or groups of employees as may have been before the effective date of this act excluded by Executive orders from the benefits of the act of May 22, 1920, and amendments thereof.

The provisions of this act may be extended by Executive order upon recommendation of the Civil Service Commission, to apply to any employee or group of employees in the civil service of the United States not included at the time of its passage. The President shall have power, in his discretion, to exclude from the operation of this act any employee or group of employees in the civil service whose tenure of office or employment is intermittent or of uncertain duration.

Mr. O'MAHONEY. Mr. President, the title of the bill is a misnomer. It was amended by the committee to express the purpose of the bill, which is merely to extend the privileges of the Civil Service Retirement Act to all postmasters who may be appointed without term under the provisions of the civil-service law.

As the law now stands, postmasters of the fourth class who are appointed under the civil-service law have the privileges of the Retirement Act. Postmasters of the first, second, and third classes who may be appointed without term in compliance with the civil-service law do not have the privilege of the Retirement Act, and the purpose of the bill is merely to extend that privilege to such postmasters.

Mr. LODGE. Mr. President, I inquire whether the bill has received a unanimously favorable committee report?

Mr. O'MAHONEY. There was no objection. The bill came out of the committee without objection.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WALSH. Will the Senator point out to the Senate what is the length of service required in order that fourth-class postmasters may be entitled to the retirement privileges?

Mr. O'MAHONEY. Fourth-class postmasters serve without term.

Mr. WALSH. I know that; but what is the number of years of service required before they are eligible to retirement?

Mr. O'MAHONEY. I cannot say as to that.

Mr. WALSH. The Senator from Maryland [Mr. TYDINGS] says it depends upon age. In any event, whatever the period may be, under the provisions of the pending bill the retirement privilege is made applicable to postmasters of the first, second, and third class?

Mr. O'MAHONEY. Yes.

Mr. WALSH. So all postmasters who have served for a certain number of years and have reached a certain age may retire?

Mr. O'MAHONEY. Yes.

Mr. WALSH. Will the Senator from Wyoming place the report of the committee in the RECORD at this point? This proposal is of special public interest.

Mr. O'MAHONEY. I shall be glad to ask that that be done. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the report of the committee on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report (No. 682) is as follows:

The Committee on Post Offices and Post Roads of the Senate, to whom was referred the bill (S. 577) extending civil service to

certain postmasters, having considered the same, beg leave to report said bill back to the Senate with the recommendation that, upon amending the caption of the bill as hereinafter shown, said bill do pass.

The amendment recommended by your committee is as follows: In the caption of said bill, after the word "service", insert the word "retirement", so that the caption will read "Extending civil-service retirement to certain postmasters".

The purpose of the bill is clearly set out in the report of the Post Office Department, and a letter from the Civil Service Commission, both of which Departments recommend its passage. The letter of the Acting Postmaster General, dated March 3, 1939, and of the President of the United States Civil Service Commission, dated April 14, 1939, recommending said bill, are set out in full as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., March 3, 1939.

HON. KENNETH MCKELLAR,
Chairman, Committee on Post Offices and Post Roads,
United States Senate.

MY DEAR SENATOR: The receipt is acknowledged of your letter of January 14, 1939, requesting a report upon S. 577, a bill extending civil service to certain postmasters.

The act of May 29, 1930, commonly known as the Retirement Act, excludes from the operation thereof all postmasters except postmasters of the first, second, and third classes who have been promoted, appointed, or transferred from the classified civil service.

This bill provides that the act of May 29, 1930, be amended by striking out all of that portion of section 3 beginning with paragraph (g) and inserting in lieu thereof a provision that postmasters of the first, second, and third classes who have been or may be appointed under the provisions of the act of June 25, 1938, and postmasters of the fourth class, be brought under the Retirement Act.

There are approximately 45,000 post offices of which number approximately 30,000 are of the fourth class. The Department feels and so advised the Civil Service Commission some time ago that any amendment to the Retirement Act to include postmasters should include all classes. It is recognized that there will be considerable difficulty in bringing fourth-class postmasters under the provisions of this act in the consideration of deductions, the benefits to be derived under the act, etc., due to the small compensation received by so many of these postmasters. However, there should be no discrimination.

So many of the postmasters at fourth-class offices draw an annual compensation of less than \$200 and there is an average turnover in these offices of around \$200 per month. It will be an administrative difficulty in handling these fourth-class post offices, but it is noted that in its proposed report on the measure the Civil Service Commission expresses the belief that the situation can be taken care of by Executive order, should such action be necessary. If the Commission has reference to the final sentence of S. 577 reading: "The President shall have power, in his discretion, to exclude from the operation of this act any employee or group of employees in the civil service whose tenure of office or employment is intermittent or of uncertain duration," there would seem to be some doubt as to the legality of applying that authority to a category of employees expressly covered by S. 577. The sentence quoted is a repetition of a provision already incorporated in existing law and it may be that a proper construction of the act would make this power applicable only to classes of employees designated in general terms and not to the specific position of postmaster expressly placed by the bill under the retirement system.

This Department has no objection to the proposed legislation.

It has been ascertained from the Bureau of the Budget that this report is in accord with the program of the President.

Very truly yours,

W. W. HOWES,
Acting Postmaster General.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., April 14, 1939.

HON. KENNETH MCKELLAR,
Chairman, Committee on Post Offices and Post Roads, United States Senate.

DEAR SENATOR MCKELLAR: Further reference is made to your letter of January 14, 1939, transmitting copy of S. 577, a bill to amend the Civil Service Retirement Act of May 29, 1930, as amended.

This bill would extend the provisions of the Civil Service Retirement Act of May 29, 1930, to include postmasters of the first, second, and third classes appointed under the act of June 25, 1938, and postmasters of the fourth class.

Section 3 of the act of May 29, 1930, specifically excludes from the operation of the retirement law all postmasters except those of the first, second, and third classes who have been promoted, appointed, or transferred from the classified civil service. The proposed amendment would not affect the retirement status of such so-called service postmasters, as section 3 (d) of the act of May 29, 1930, would operate to accord a retirement status where continuity of service with classified employment exists.

The Commission feels that the employees covered by this bill should be included within the operation of the Retirement Act and recommends that favorable action be taken thereon. It is anticipated, however, that considerable administrative difficulty

will arise in cases of fourth-class postmasters, particularly those whose pay is very small.

The Bureau of the Budget advises that there would be no objection to the presentation of this report to your committee.

Very sincerely yours,

HARRY B. MITCHELL, *President.*

Mr. KING. Mr. President, I ask the Senator from Wyoming if the bill would apply to postmasters who are now serving and who were appointed at the request of a Representative or Senator or the political representative of some political party, and are we now trying to place on the retirement list a number of political officials?

Mr. O'MAHONEY. No, Mr. President, I do not think that would be a correct inference. The measure extends the benefits of the Civil Service Retirement Act only to those postmasters who are appointed under the civil-service law. It is true that postmasters who were originally selected and confirmed by the Senate before the passage of the civil-service law for postmasters may qualify under the civil-service law, but I see no reason why they should not receive the benefits of the retirement act inasmuch as they are appointed without term.

Mr. KING. Will the Senator advise us what would be the retirement benefits, for instance, of the postmaster of Boston or the postmaster of New York, where salaries are very large?

Mr. O'MAHONEY. The bill makes no provision whatsoever with respect to the retirement benefits. It merely brings the postmasters under the general provisions of law in that respect. No change whatever is made and no special privileges are extended.

Mr. KING. Suppose they have made no contribution whatever to the retirement fund?

Mr. O'MAHONEY. Oh, they would have to make their contribution exactly as anyone else coming in under it.

Mr. KING. Then, would the services of those who have been serving several years and who have made no contributions, but would now come under the bill, be determined from the date they began making contribution or from the date of their appointment several years ago?

Mr. O'MAHONEY. It is my understanding that they would come in from the date of their qualification under the civil-service law and not from the date of their original appointment. It applies only to those who are appointed under the civil-service law and for the period during which they serve under the civil-service law.

Mr. KING. Have those who have been appointed under civil-service law been making contributions to the fund?

Mr. O'MAHONEY. No. Because under the present law postmasters are excluded.

Mr. KING. Then, they would receive compensation upon retirement for a period when they made no contribution to the funds?

Mr. O'MAHONEY. Oh, not at all. They would receive compensation merely for the period during which they serve as civil-service postmasters, and nothing else. They come under the retirement law as any new employees would come under the retirement law.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HUGHES. I understand that fourth-class postmasters have this privilege now?

Mr. O'MAHONEY. That is correct.

Mr. HUGHES. And it is proposed to extend it to first-, second-, and third-class postmasters?

Mr. O'MAHONEY. When they are appointed under the civil-service law, and only then.

Mr. HUGHES. They would have the privilege the fourth-class postmasters now have.

Mr. O'MAHONEY. Exactly. The Senator is correct.

Mr. DAVIS. Mr. President, as I understand, the Committee on Post Offices and Post Roads unanimously favorably reported the bill?

Mr. O'MAHONEY. The Senator from Pennsylvania is correct.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WALSH. If my information is correct the law now provides for the retirement of postmasters at the age of 68, if they have been certified by the Post Office Department to have rendered faithful and loyal service. A method of claiming the benefits of the retirement law has been resorted to by postmasters who have at one time held a civil-service position as clerk or carrier, by resigning or being demoted, and then obtaining the benefit of the retirement law. I approve of the Senator's bill, for I understand it makes no difference between postmasters and any other Government officials.

Mr. O'MAHONEY. Exactly.

Mr. WALSH. It puts them all under the general retirement law.

Mr. O'MAHONEY. I may say that the bill was drafted by the experts of the Civil Service Commission.

Mr. WALSH. Mr. President, the Senator will be interested in an experience I have had recently in connection with a career postmaster who was 66 years of age. Had he been 64 he could have resigned and been appointed clerk. He had worked up in the service, and had been in the service for 48 years. Had he resigned, as I have said, he could have been appointed clerk and retired. But he was 66 years of age. Therefore he could not be appointed clerk. The retirement age is fixed at 68 years. He was between 66 and 68 years, and could not receive the benefits of either law. He could not receive retirement benefits until finally a method was provided of retiring on disability rather than obtaining the benefit under the Retirement Act.

Mr. O'MAHONEY. I am very much obliged to the Senator from Massachusetts for his statement.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill extending civil-service retirement to certain postmasters."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 221. An act for the relief of Anthony Coniglio;

S. 431. An act for the relief of Mrs. Quitman Smith;

S. 875. An act for the relief of Andrew J. Crockett and Walter Crockett;

S. 1291. An act for the relief of William Carl Laude;

S. 1384. An act for the relief of Egon Karl Freiherr von Mauchenheim and Margarete von Mauchenheim;

S. 1387. An act for the relief of Ida May Lennon;

S. 1487. An act for the relief of the Postal Telegraph-Cable Co.;

S. 2167. An act to provide for the reimbursement of certain members or former members of the United States Coast Guard for the value of personal effects lost in the hurricane of September 21, 1938, at several Coast Guard stations on the coasts of New York, Connecticut, and Rhode Island; and S. 2197. An act authorizing Federal participation in the commemoration and observance of the four hundredth anniversary of the explorations of Francisco Vasquez de Coronado.

The message also announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 289. An act for the relief of the West Virginia Co.;

S. 1385. An act for the relief of the Barkman Lumber Co.; and

S. 1629. An act for the relief of the Canvas Decoy Co.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 542. An act for the relief of Anna Elizabeth Watrous;

H. R. 543. An act for the relief of Imogene Enley;

H. R. 733. An act for the relief of S. A. Rourke;

H. R. 777. An act for the relief of Banks Business College;
 H. R. 1177. An act for the relief of Bessie Bear Robe;
 H. R. 1436. An act for the relief of William H. Keesey;
 H. R. 1456. An act for the relief of Maj. Herbert A. Jacob;
 H. R. 1693. An act to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934;
 H. R. 1875. An act for the relief of the Women's Board of Domestic Missions;
 H. R. 2102. An act for the relief of Ada Fuller;
 H. R. 2234. An act for the relief of W. E. R. Covell;
 H. R. 2452. An act for the relief of George Slade;
 H. R. 2480. An act for the relief of the estate of John B. Brack;
 H. R. 2514. An act for the relief of G. E. Williams;
 H. R. 2610. An act for the relief of G. W. Netterville;
 H. R. 2948. An act for the relief of Morris Hoppenheim, Lena Hoppenheim, Doris Hoppenheim, and Ruth Hoppenheim;
 H. R. 3081. An act for the relief of Margaret B. Nonnenberg;
 H. R. 3084. An act for the relief of Violet Dewey;
 H. R. 3094. An act for the relief of Luise Ehrenfeld;
 H. R. 3104. An act for the relief of Kyle Blair;
 H. R. 3157. An act for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased;
 H. R. 3161. An act for the relief of the estate and minor children of Dale W. and Gladys M. Guise, Sally C. Guise, and Martha G. and Arnold E. Orner;
 H. R. 3305. An act for the relief of Charles G. Clement;
 H. R. 3337. An act for the relief of the estate of Arthur Weltner;
 H. R. 3614. An act for the relief of Frank M. Croman;
 H. R. 3623. An act for the relief of Capt. Clyde E. Steele, United States Army;
 H. R. 3730. An act for the relief of John G. Wynn;
 H. R. 3732. An act for the relief of Rosalia Cataudella Di Rosa and son, Georgio Di Rosa;
 H. R. 4155. An act for the relief of Mary A. Brummal;
 H. R. 4249. An act for the relief of Stephen Kelen;
 H. R. 4260. An act for the relief of J. Milton Sweney;
 H. R. 4264. An act for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt;
 H. R. 4391. An act for the relief of H. W. Hamlin;
 H. R. 4440. An act for the relief of Mr. and Mrs. John Shebestok, parents of Constance and Lois Shebestok;
 H. R. 4609. An act for the relief of Charles Enslow;
 H. R. 4725. An act for the relief of William L. Rull;
 H. R. 4762. An act for the relief of William S. Huntley;
 H. R. 4847. An act for the relief of Leland J. Belding;
 H. R. 4878. An act for the relief of Annie Reiley;
 H. R. 4965. An act for the relief of J. Harry Walker;
 H. R. 5056. An act for the relief of Nicholas Contopoulos;
 H. R. 5149. An act for the relief of Isidore Cvitcovich;
 H. R. 5156. An act for the relief of Adolph Ernest Helms;
 H. R. 5301. An act for the relief of Adam Emanuel Tsagournis;
 H. R. 5346. An act for the relief of Mrs. A. R. Barnard, Charles A. Stephens, Donald W. Prairie, and dependents of Vern A. Needles;
 H. R. 5494. An act for the relief of John Marinis, Nicolaos Elias, Ihoanis or Jean Demetre Votsitsanos, and Michael Votsitsanos;
 H. R. 5743. An act for the relief of Walter C. Holmes;
 H. R. 5827. An act to authorize the cancelation of deportation proceedings in the case of John L. Harder and children, Paul William Harder, Irvin W. Harder, Edna Justina Harder, Elsie Anna Harder, and Elizabeth Harder;
 H. R. 6056. An act for the relief of Antal or Anthony or Tony Zaicek or Zaiczek;

H. R. 6409. An act to record the lawful admission to the United States for permanent residence of Motiejus Buzas and Bernice Buzas, his wife;
 H. R. 6416. An act for the relief of Joaquim Santos Valente;
 H. R. 6435. An act to authorize cancelation of deportation in the case of Louise Wohl;
 H. R. 6836. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;
 H. R. 6897. An act granting pensions to certain widows of veterans of the Civil War;
 H. R. 6898. An act granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War;
 H. R. 6899. An act granting pensions to certain veterans of the Civil War;
 H. R. 6900. An act granting pensions to certain former widows of veterans of the Civil War;
 H. R. 6901. An act granting increase of pensions to certain widows of veterans of the Civil War;
 H. R. 6902. An act granting increase of pensions to certain former widows of veterans of the Civil War;
 H. R. 6928. An act to extend the times for commencing and completing the construction of a bridge across the Niagara River at or near the city of Niagara Falls, N. Y., and for other purposes;
 H. J. Res. 315. Joint resolution to provide for the adjudication by a commissioner of claims of American nationals against the Government of the Union of Soviet Socialist Republics; and
 H. J. Res. 320. Joint resolution to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939."

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred, as follows:

H. R. 542. An act for the relief of Anna Elizabeth Watrous;
 H. R. 543. An act for the relief of Imogene Enley;
 H. R. 777. An act for the relief of Banks Business College;
 H. R. 1436. An act for the relief of William H. Keesey;
 H. R. 1456. An act for the relief of Maj. Herbert A. Jacob;
 H. R. 1693. An act to confer jurisdiction on the District Court of the United States for the western district of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934;
 H. R. 1875. An act for the relief of the Women's Board of Domestic Missions;
 H. R. 2102. An act for the relief of Ada Fuller;
 H. R. 2234. An act for the relief of W. E. R. Covell;
 H. R. 2452. An act for the relief of George Slade;
 H. R. 2480. An act for the relief of the estate of John B. Brack;
 H. R. 2514. An act for the relief of G. E. Williams;
 H. R. 2610. An act for the relief of G. W. Netterville;
 H. R. 3081. An act for the relief of Margaret B. Nonnenberg;
 H. R. 3084. An act for the relief of Violet Dewey;
 H. R. 3104. An act for the relief of Kyle Blair;
 H. R. 3157. An act for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased;
 H. R. 3161. An act for the relief of the estate and minor children of Dale W. and Gladys M. Guise, Sally C. Guise, and Martha G. and Arnold E. Orner;
 H. R. 3337. An act for the relief of the estate of Arthur Weltner;
 H. R. 3614. An act for the relief of Frank M. Croman;

H. R. 3623. An act for the relief of Capt. Clyde E. Steele, United States Army;

H. R. 3730. An act for the relief of John G. Wynn;

H. R. 4155. An act for the relief of Mary A. Brummal;

H. R. 4260. An act for the relief of J. Milton Sweney;

H. R. 4264. An act for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt;

H. R. 4391. An act for the relief of H. W. Hamlin;

H. R. 4440. An act for the relief of Mr. and Mrs. John Shebestok, parents of Constance and Lois Shebestok;

H. R. 4609. An act for the relief of Charles Enslow;

H. R. 4725. An act for the relief of William L. Rull;

H. R. 4762. An act for the relief of William S. Huntley;

H. R. 4847. An act for the relief of Leland J. Belding; and

H. R. 5743. An act for the relief of Walter C. Holmes; to the Committee on Claims.

H. R. 2948. An act for the relief of Morris Hoppenheim, Lena Hoppenheim, Doris Hoppenheim, and Ruth Hoppenheim;

H. R. 3094. An act for the relief of Luise Ehrenfeld;

H. R. 3732. An act for the relief of Rosalia Cataudella Di Rosa and son, Georgio Di Rosa;

H. R. 4249. An act for the relief of Stephen Kelen;

H. R. 4878. An act for the relief of Annie Reiley;

H. R. 5056. An act for the relief of Nicholas Contopoulos;

H. R. 5149. An act for the relief of Isidore Cvitcovich;

H. R. 5156. An act for the relief of Adolph Ernest Helms;

H. R. 5301. An act for the relief of Adam Emanuel Tsagournis;

H. R. 5494. An act for the relief of John Marinis, Nicolaos Elias, Ihoanis or Jean Demetre Votsitsanos, and Michael Votsitsanos;

H. R. 5827. An act to authorize the cancelation of deportation proceedings in the case of John L. Harder and children, Paul William Harder, Irvin W. Harder, Edna Justina Harder, Elsie Anna Harder, and Elizabeth Harder;

H. R. 6056. An act for the relief of Antal or Anthony or Tony Zaicek or Zaiczek;

H. R. 6409. An act to record the lawful admission to the United States for permanent residence of Motiejus Buzas and Bernice Buzas, his wife;

H. R. 6416. An act for the relief of Joaquin Santos Valente; and

H. R. 6435. An act to authorize cancelation of deportation in the case of Louise Wohl; to the Committee on Immigration.

H. R. 1177. An act for the relief of Bessie Bear Robe; and

H. R. 4965. An act for the relief of J. Harry Walker; to the Committee on Indian Affairs.

H. R. 3305. An act for the relief of Charles G. Clement; to the Committee on Military Affairs.

H. R. 6897. An act granting pensions to certain widows of veterans of the Civil War;

H. R. 6898. An act granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War;

H. R. 6899. An act granting pensions to certain veterans of the Civil War;

H. R. 6900. An act granting pensions to certain former widows of veterans of the Civil War;

H. R. 6901. An act granting increase of pensions to certain widows of veterans of the Civil War; and

H. R. 6902. An act granting increase of pensions to certain former widows of veterans of the Civil War; to the Committee on Pensions.

H. R. 6928. An act to extend the times for commencing and completing the construction of a bridge across the Niagara River at or near the city of Niagara Falls, N. Y., and for other purposes; to the Committee on Commerce.

H. J. Res. 315. Joint resolution to provide for the adjudication by a commissioner of claims of American nationals against the Government of the Union of Soviet Socialist Republics; and

H. J. Res. 320. Joint resolution to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution

requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939"; to the Committee on Foreign Relations.

BENEFITS TO WORLD WAR VETERANS AND THEIR DEPENDENTS

The Senate proceeded to consider the bill (H. R. 5452) to provide certain benefits for World War veterans and their dependents and for other purposes, which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause and to insert the following:

That section 1 of Public Law No. 484, Seventy-third Congress, June 28, 1934, as amended, is hereby amended to read as follows:

"SECTION 1. (a) The surviving widow, child, or children of any deceased person who served in the World War before November 12, 1918, or if the person was serving with the United States military forces in Russia before April 2, 1920, who, while receiving or entitled to receive compensation, pension, or retirement pay for 10 percent disability or more presumptively or directly incurred in or aggravated by service in the World War, dies or has died from a disease or disability not service connected shall, upon filing application and such proofs in the Veterans' Administration as the Administrator of Veterans' Affairs may prescribe, be entitled to receive compensation as provided by this act.

"(b) The surviving widow, child, or children of any deceased person who served in the World War before November 12, 1918, or if the person was serving with the United States military forces in Russia before April 2, 1920, and who was honorably discharged after having served 90 days or more (or who, having served less than 90 days, was discharged for disability incurred in the service in line of duty), who dies or has died from a disease or disability not service connected and at the time of death had a disability directly or presumptively incurred in or aggravated by service in the World War for which compensation would be payable if 10 percent or more in degree, shall, upon filing application and such proofs in the Veterans' Administration as the Administrator of Veterans' Affairs may prescribe, be entitled to receive compensation as provided by this act.

"(c) Payment of compensation under the provisions of this act shall not be made to any widow without child, or a child, whose annual income exceeds \$1,000, or to a widow with a child or children whose annual income exceeds \$2,500. In determining annual income, payments of war risk term insurance, United States Government life (converted) insurance, and payments under the World War Adjusted Compensation Act, as amended (U. S. C., title 38, ch. 11), and the Adjusted Compensation Payment Act, 1936, as amended, shall not be considered. Except as provided in section 6 of Public Law No. 304, Seventy-fifth Congress, August 16, 1937 (U. S. C., title 38, sec. 472d), compensation authorized by this act shall not be payable effective prior to the receipt of application therefor in the Veterans' Administration; and in no event shall compensation herein authorized be effective prior to the date of enactment of this act."

SEC. 2. Section 2 of Public Law No. 484, Seventy-third Congress, as amended (U. S. C., title 38, sec. 504), is hereby amended to read as follows:

"SEC. 2. (a) The monthly rates of compensation shall be as follows: Widow but no child, \$30; widow with one child, \$38 (with \$4 for each additional child); no widow but one child, \$15; no widow but two children, \$22 (equally divided); no widow but three children, \$30 (equally divided) (with \$3 for each additional child; total amount to be equally divided).

"(b) The total compensation payable under this section shall not exceed \$64. Where such benefits would otherwise exceed \$64, the amount of \$64 may be apportioned as the Administrator of Veterans' Affairs may prescribe."

SEC. 3. Section 4 of Public Law No. 484, Seventy-third Congress, June 28, 1934, as amended (U. S. C., title 38, sec. 506), is hereby amended to read as follows:

"SEC. 4. For the purpose of awarding compensation under the provisions of this act, as amended, service connection of a disability at the date of death, and degree thereof where required, may be determined in any case where a claim has been or is filed by the widow, child, or children of a deceased World War veteran. Proof of disability at the date of death, and degree thereof where required, and evidence as to service connection, may be filed at any time after the date of enactment of this act or the date of death. Evidence required in connection with any claim must be submitted in accordance with regulations prescribed by the Administrator of Veterans' Affairs."

SEC. 4. In the administration of laws pertaining to veterans, retired officers, and enlisted men of the Army, Navy, Marine Corps, and Coast Guard who served honorably during a war period as recognized by the Veterans' Administration, shall be, and are, entitled to hospitalization and domiciliary care in Veterans' Administration facilities on parity with other war veterans and subject to those provisions of paragraph VI (A) of Veterans Regulation No. 6 (c), which provide for reduction of monetary benefits to veterans having neither wife, child, nor dependent parent while being furnished hospital treatment, institutional, or domiciliary care.

SEC. 5. Effective on the 1st day of the month next following the date of enactment of this act, the rates of death compensation

payable under the provisions of existing laws or veterans' regulations to a surviving widow, child, or children, and/or dependent mother or father now on the rolls or hereafter to be placed on the rolls as the surviving widow, child, or children, and/or dependent mother or father of any World War veteran who died as the result of injury or disease incurred in or aggravated by active military or naval service in the World War, shall be as follows:

Widow, age under 50 years, \$38; widow, age 50 years or over, \$45; widow with one child, \$10 additional for such child up to 10 years of age, increased to \$15 from age 10 (with \$8 for each additional child up to 10 years of age, increased to \$13 from age 10) (subject to apportionment regulations); no widow but one child, \$20; no widow but two children, \$33 (equally divided); no widow but three children, \$46 (equally divided) (with \$8 for each additional child, total amount to be equally divided); dependent mother or father, \$45 (or both), \$25 each. As to the widow, child, or children, the total compensation payable under this section shall not exceed \$83. The amount of compensation herein authorized shall be paid in the event the monthly payment of compensation under Veterans' Regulation No. 1 (g) and the monthly payment of yearly renewable term of automatic insurance does not aggregate or exceed the amount of compensation herein authorized.

As to the surviving widow, child, or children, and/or dependent mother or father on the rolls on the date of enactment of this act, any increased award herein authorized shall be effective from the date of enactment of this act and in all other cases, except as provided in section 6 of Public Law No. 304, Seventy-fifth Congress, approved August 16, 1937, effective dates of awards shall be governed by the provisions of veterans' regulations promulgated under Public Law No. 2, Seventy-third Congress, March 20, 1933.

Sec. 6. Subparagraph (k) of paragraph II, part I, of Veterans' Regulation No. 1 (a), promulgated under Public Law No. 2, Seventy-third Congress, March 20, 1933, is hereby amended to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or the loss of the use of only one foot, or one hand, or one eye, the rate of pension provided in part I, paragraph II (a) to (j), shall be increased by \$35 per month."

Sec. 7. On and after the date of enactment of this act, the rate of interest charged on any loan secured by a lien on United States Government life (converted) insurance shall not exceed 5 percent per annum.

Mr. GEORGE. Mr. President, this is a House bill. I will state the material changes which it makes in existing law. Under the existing law the widow or children dependents of a World War veteran, who had a service-connected disability amounting to 10 percent or more, are entitled to pensions as provided in the law.

This bill adds another class of widows and dependents. It brings in all widows or dependents of veterans who served prior to November 12, 1918, or who were in the Russian expeditionary force, and in service prior to a specified date in 1920, and who died of any disease, or who had a service-connected disability which, if it had amounted to 10 percent or more, would have been compensable. In other words, the dependents of the World War veterans in all cases where the veterans had disability that was service-connected under the law as it exists, and which would have been compensable if it had amounted to 10 percent or more in degree, are given benefits under this measure but not at the same rate.

The present rate of pension now payable to a widow is \$30 per month if she is under 50 years of age. That is raised \$8 by the pending measure, and there is a corresponding raise of \$7.50 if she is between 50 years and 65 years.

There are also some changes made in behalf of the dependent children.

The widow of a World War veteran who had a service-connected disability, but not compensable, is given a pension at \$30 per month and \$4 for each child.

There is a difference in the pension allowance. The House bill provided for a pension to the dependent father and mother. Since the House bill practically provided for service pensions, in the opinion of the committee, and since in the case of service pensions provision has not heretofore been made for dependent fathers and mothers, in determining dependents the committee restricted the House bill to the widow and children of the surviving veteran or persons who served in the World War or in Russia prior to March 1920. That is the principal change made in the bill.

A subsequent section of the bill increases the statutory pensions now fixed in the law from \$25 to \$35 for the anatomical loss of only one foot, one hand, or one eye, or the loss of the

use of the foot, hand, or eye. The House bill provided that no veteran who had sustained the anatomical loss of an arm, a foot, or an eye should receive a total compensation of less than \$100 per month. The Finance Committee thought it best to preserve the general principle of disability and to compensate for the disability actually existing; so the committee recommended that the statutory allowance in such case be stepped up from \$25 to \$35. So a veteran who has lost a foot, and who is now rated under the rating schedule at 40-percent disability, I believe, and who under the existing law receives \$40 plus \$25, or \$65 per month, will receive \$75 per month under the provisions of the amendment made by the Senate committee.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I yield.

Mr. AUSTIN. Has any estimate been made of the increased cost to the Government due to this proposed change in the law?

Mr. GEORGE. If the Senator will pardon me and let me explain just one other feature, I will come back to that question.

Another section of the bill, which has been added by the Senate committee and which was not in the House bill, provides for hospitalization and domiciliary care for veterans of the World War, the Spanish-American War, the Boxer Rebellion, and the Philippine Insurrection. That provision was recommended by the Veterans' Administration.

Another section of the bill, which is the same as passed by the House, reduces from 6 percent to 5 percent per annum the interest rate on loans made to veterans on insurance policies. That provision does not affect the Treasury. It merely affects all other veterans who hold like insurance, and is estimated to reduce the total dividend earning approximately \$150,000 a year.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. VANDENBERG. Did the Veterans' Administration recommend the reduction in the insurance-loan rate?

Mr. GEORGE. The Veterans' Administration did not make a specific recommendation. It did not interpose any objection. It merely pointed out that the reduction would not affect the Treasury, but would reduce the benefits to veterans who hold insurance and who do not borrow upon their insurance.

Mr. VANDENBERG. Obviously, it is a favor to the borrowing veteran at the expense of the nonborrowing veteran.

Mr. GEORGE. Obviously, that is true; but the House passed it, and the Senate did not make any change.

The Senate's attention should be called to an important provision by the House which has been stricken out by the Senate amendment: Under the terms of the House bill any veteran of the World War who sustained or suffered from any wound, although it was not disabling in any degree, was given a 10-percent-disability rating. That provision was very strongly resisted by the Veterans' Administration. Obviously, such rating does not necessarily relate at all to the disability suffered by the veteran. In that connection, as shown by the report, the Veterans' Administration agreed with the committee to re-rate all the veterans of the World War who suffered wounds during the war, and also agreed to establish, by order, a board out of the Board of Veterans Appeals—a subcommittee of that board, so to speak—so to rate all wound cases that there will be uniformity throughout the country, which does not now exist, inasmuch as a rating board in one State may consider as being 10-percent disabling a wound which would not be regarded as 10-percent disabling by a rating board in another State. Of course, that situation might be corrected if the matter were brought to the Veterans' Administration; but the Veterans' Administrator has announced his purpose to set up a special board in Washington to rate all cases of veterans suffering from any wound. That provision in the House bill was estimated to cost considerably more than the entire cost of the present bill.

The Senate Finance Committee has entirely eliminated that provision, leaving the cases of veterans suffering from wounds to be rated and compensated upon the basis of the degree of disability, as in all other cases.

Coming to the question of additional cost—

Mr. KING. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. KING. Before the Senator leaves that point, does not the present law make provision for compensation to all those who are suffering disabilities as a result of their service?

Mr. GEORGE. That is true if the disability is disabling to the extent of 10 percent or more. The House bill would have given all veterans suffering from any wound, however slight, a 10-percent-disability rating, and would have cost the Government about \$10,000,000 to \$11,000,000 a year, according to the estimates furnished the committee. The Senate committee has eliminated that provision.

Mr. KING. Even though the disabilities were unimportant?

Mr. GEORGE. That is correct.

Mr. President, the total cost of the bill, as estimated by the Veterans' Administration, will be approximately \$6,470,000.

Mr. KING. Per annum?

Mr. GEORGE. Yes; for the next fiscal year.

It is believed that the bill as recommended by the Finance Committee meets with the approval of the Veterans' Administration insofar as he is authorized to commit the administration upon legislation.

Mr. KING. What would be the cost per annum of the first bill?

Mr. GEORGE. Less than \$1,000,000.

Mr. WALSH. Mr. President, I commend the Senator from Georgia [Mr. GEORGE] for his excellent explanation of the bill. The House bill would, in the opinion of the Senate committee, meet with the disfavor of the Veterans' Administration; and the Senate bill, while restricting some of the broadening features of the House bill, has in other instances made the increased benefits to veterans more equitable, and more likely to receive the approval of the Veterans' Administration.

Mr. GEORGE. The Senator from Massachusetts is quite correct. The committee is authorized to say that the bill will have the favorable recommendation of the Veterans' Administration. We were assured that we could not hope to secure the approval of the bill as it passed the House, carrying with it an increased cost of some \$17,000,000 or \$18,000,000 a year.

Mr. President, may we have action on the amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. GEORGE. Mr. President, on behalf of the committee I move to strike out, in the committee amendment on page 12, at the beginning of line 4, the word "of" and insert in lieu thereof the word "or." It is merely a typographical error.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE], on behalf of the committee, to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GRADING AND CLASSIFICATION OF FOREIGN SERVICE CLERKS

Mr. SHIPSTEAD. Mr. President, a short time ago the Senator from Georgia [Mr. GEORGE] asked that Senate bill 2663 be passed over to await House bill 6836, an identical bill coming over from the House. House bill 6836 has now come over, and I ask unanimous consent that it be substituted for Senate 2663, and that it be given consideration at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the bill (H. R. 6836) to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor", approved February 23, 1931, as amended, was read twice by its title, considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph (n) of section 26 of the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended, is amended to read as follows:

"(n) Any diplomatic secretary or consular officer who has been, or any Foreign Service officer who may hereafter be, promoted from the classified service to the grade of Ambassador or Minister, or appointed to a position in the Department of State, shall be entitled to all the benefits of this section in the same manner and under the same conditions as Foreign Service officers: *Provided*, That any officer now included under the act of May 24, 1924, and the amendment thereto of July 3, 1926, shall be entitled to the benefits of this section: *And provided further*, That hereafter an Ambassador or Minister, or a former Ambassador or Minister, or a person appointed to a position in the Department of State after serving as Ambassador, Minister, or Foreign Service officer, who is not otherwise entitled to an annuity under this section and who shall have served as such for the period mentioned in the following paragraph (1), shall nevertheless be entitled to the benefits thereof in the same manner and under the same conditions as Foreign Service officers, but subject to the following terms and conditions:

"(1) Any person who has served as Ambassador or Minister, or a person appointed to a position in the Department of State after serving as Ambassador, Minister, or Foreign Service officer, continuously or at different times for an aggregate period of 20 years or more, in which period may be included any periods of service in any of the capacities and as provided in paragraph (o) of this section, may become entitled to the benefits of this section as hereinafter provided by paying into the Foreign Service retirement and disability fund a special contribution equal to 5 percent of his annual salary for each year of such employment subsequent to July 1, 1924, with interest thereon to date of payment compounded annually at 4 percent.

"(2) Any Ambassador or Minister, or a person appointed to a position in the Department of State after serving as Ambassador, Minister, or Foreign Service officer, who becomes entitled to the benefits of this section as provided in the preceding paragraph (1), shall receive an annuity computed in accordance with paragraph (e) of this section, including the right to voluntary retirement as provided by paragraph (d) of this section: *Provided, however*, That in case any Ambassador or Minister, or a person appointed to a position in the Department of State after serving as Ambassador, Minister, or Foreign Service officer, is retired from active service at less than 65 years of age and with at least 20 but less than 30 years of service, computed in accordance with this section, and assuming that he shall have complied with the requirements of the law entitling him to such annuity, he shall receive an annuity computed in accordance with paragraph (d) of this section on the basis of the total period of service thus computed, including extra service credits as provided in paragraph (k) of this section, the fractional part of a month, if any, to be eliminated from such total period of service; or if he is over 65 years of age (unless he is retained in active service as provided in paragraph (d) of this section), or not in active service, on the effective date of this act such annuity shall begin on the date he complies with all the requirements of law to entitle him to such annuity."

The PRESIDING OFFICER. Without objection, Senate bill 2663 is indefinitely postponed.

S. A. ROURKE

Mr. THOMAS of Oklahoma. Mr. President, a little while ago there was passed over Calendar No. 741, Senate bill 324, for the reason that the House on yesterday passed an identical bill which had not been messaged to the Senate. I ask unanimous consent to revert to that calendar number, and, as the House bill has now been received, that the Senate proceed to the consideration of the House bill instead of the Senate bill.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 733) for the relief of S. A. Rourke was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to S. A. Rourke, of Oklahoma City, Okla., the sum of \$1,377.06, in full settlement of all claims against the United States for storage in the Merchants Southwest

Fireproof Warehouse Building, Oklahoma City, Okla., of 800 cases of Old Reserve tonic from May 3, 1921, to July 6, 1923, which said tonic was stored and held in said warehouse by the United States marshal for the United States District Court for the Western District of Oklahoma pending certain proceedings concerning said tonic in said court: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. THOMAS of Oklahoma. I ask that Senate bill 324 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 324 is indefinitely postponed.

PROMOTION OF FARM OWNERSHIP BY TENANTS

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

Mr. BYRNES. Mr. President, I ask that the unfinished business be temporarily laid aside, and that the call of the calendar be proceeded with.

Mr. NEELY. Mr. President, a parliamentary inquiry. Does the request of the Senator from South Carolina require unanimous consent?

The PRESIDING OFFICER. It requires unanimous consent to lay aside temporarily the unfinished business.

Mr. NEELY. Mr. President, I am obliged to object. For 6 months I have been striving in vain to prevail on the Senate to consider S. 280, which is commonly known as the motion-picture anti-block-booking bill. Failure, on my part, to object to the unanimous-consent request of the distinguished and always courteous Senator from South Carolina [Mr. BYRNES] would aid the enemies of the bill, by further delaying its consideration. Therefore I insist upon my objection.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from South Carolina [Mr. BYRNES] has the floor.

Mr. BYRNES. Mr. President, I inquire what is the unfinished business?

The PRESIDING OFFICER. The clerk will state the unfinished business.

The CHIEF CLERK. A bill (S. 1836) to promote farm ownership by amending the Bankhead-Jones Farm Tenant Act to provide for Government-insured loans to farmers; to encourage sale of farms held by absentee owners to farm tenants; and to enable tenant farmers to become owners of farm homes through long-term low-interest-rate loans on bonds, and for other purposes.

Mr. BYRNES. Mr. President, the Senator from Alabama not being present at the moment, and the Senator from Kentucky [Mr. BARKLEY] also being out of the Chamber, I make the point of no quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark, Idaho	Hatch	Maloney
Ashurst	Clark, Mo.	Hayden	Mead
Austin	Connally	Herring	Miller
Bailey	Danaher	Hill	Minton
Bankhead	Davis	Holman	Murray
Barbour	Donahey	Holt	Neely
Barkley	Ellender	Hughes	Norris
Bilbo	George	Johnson, Calif.	Nye
Bone	Gerry	Johnson, Colo.	O'Mahoney
Borah	Gibson	King	Overton
Bridges	Gillette	La Follette	Pepper
Bulow	Glass	Lee	Pittman
Burke	Green	Lodge	Radcliffe
Byrd	Guffey	Logan	Reed
Byrnes	Gurney	Lucas	Russell
Capper	Hale	Lundeen	Schwartz
Chavez	Harrison	McKellar	Schwellenbach

Sheppard
Shipstead
Slattery
Smathers
Stewart

Taft
Thomas, Okla.
Tobey
Townsend
Truman

Tydings
Vandenberg
Van Nuys
Wagner
Walsh

Wheeler
White
Wiley

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present.

The clerk will state the amendment reported by the committee.

The Chief Clerk proceeded to state the amendment.

Mr. LEE. Mr. President, I ask unanimous consent that the reading of the rest of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none.

The amendment was to strike out all after the enacting clause and to insert:

That the Bankhead-Jones Farm Tenant Act is amended by inserting therein a new title to follow immediately after title I thereof and to read as follows:

"TITLE IA—FARM-TENANT MORTGAGE INSURANCE PROVISIONS

"DEFINITIONS

"SEC. 11. As used in this title—

"(a) The term 'mortgage' means a first mortgage on real estate, in fee simple; and the term 'first mortgage' means such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State, District, or Territory in which the real estate is located, together with the credit instruments, if any, secured thereby.

"(b) The term 'mortgagee' includes the original lender under a mortgage and his successors and assigns; and the term 'mortgagor' includes the original borrower under a mortgage and his successors and assigns, approved by the Secretary.

"(c) The term 'maturity date' means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

"FARM-TENANT MORTGAGE INSURANCE FUND

"SEC. 12. (a) There is hereby created a farm-tenant mortgage insurance fund (hereinafter referred to as the 'fund'), which shall be used by the Secretary of Agriculture (hereinafter referred to as the 'Secretary') as a revolving fund for carrying out the provisions of this title with respect to mortgages insured under section 13 as hereinafter provided. There shall be covered into such fund not exceeding 5 percent of the sums appropriated for the fiscal year ending June 30, 1940, pursuant to the authorizations for appropriations made by section 6, as the Secretary may deem it advisable to cover into such fund.

"(b) Moneys in the fund not needed for current operations shall be deposited with the Treasurer of the United States to the credit of the fund or invested in bonds or other obligations guaranteed as to principal and interest by the United States. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of section 14. Such purchases shall be made at a purchase price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(c) All amounts credited to the fund shall be available for making payments required under this title.

"(d) The Secretary shall include in his annual report a complete statement with respect to the status of the fund.

"(e) There are hereby authorized to be appropriated to the fund for each fiscal year, beginning with the fiscal year ending June 30, 1939, such sums as when added to the sums covered into the fund under subsection (a) of this section will be adequate to carry out the provisions of this title.

"INSURANCE OF MORTGAGES

"SEC. 13. (a) The Secretary is authorized, upon application by the mortgagee, to insure prior to June 30, 1942, as hereinafter provided, any mortgage offered to him which is eligible for insurance as hereinafter provided and, upon such terms as the Secretary may prescribe, to make commitments for the insuring of such mortgages prior to the date of their execution or disbursement thereon: *Provided*, That the aggregate amount of principal obligations of all mortgages insured under this title and outstanding at any one time shall not exceed \$350,000,000, of which not to exceed \$50,000,000 shall be insured and outstanding prior to June 30, 1940, and not to exceed \$150,000,000 shall be insured and outstanding prior to June 30, 1941: *Provided further*, That the aggregate amount of the principal obligations of the mortgages upon property in any State insured under this title shall not be a greater percentage of such \$350,000,000 than the number of tenant farmers residing in such State is of the total number of tenant farmers residing in the United States.

"(b) To be eligible for insurance under this section a mortgage shall—

"(1) Have been made by a farmer who owns no interest in any real property (other than that covered by such mortgage or occupied by him as a residence and from which he does not derive any

substantial part of his livelihood) (A) as security for the purchase price, or part of the purchase price, of a farm upon which he is conducting, or proposes to conduct, farming operations, or (B) as security for the payment of an indebtedness incurred for the purpose of refinancing a mortgage covering a farm upon which he is conducting or proposes to conduct farming operations: *Provided*, That such mortgages shall not be accepted for insurance until rules and regulations with respect to the eligibility of mortgagors have been prescribed by the Secretary, with the approval of the President;

"(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall prescribe) not in excess of the reasonable value of the farm and necessary repairs and improvements thereon, as certified by the county committee pursuant to section 16;

"(3) Have a maturity satisfactory to the Secretary, but not to exceed 40 years from the date of the execution of the mortgage;

"(4) contain complete amortization provisions satisfactory to the Secretary requiring periodic payments by the mortgagor not in excess of his reasonable ability to pay as determined by the Secretary, such periodic payments to be made to the Secretary as collection agent for the mortgagee;

"(5) bear interest at not to exceed 3 percent per annum on the amount of the principal obligation outstanding at any time;

"(6) provide, in a manner satisfactory to the Secretary, for the application of the mortgagor's periodic payments (exclusive of the amount allocated to interest) to amortization of the principal of the mortgage;

"(7) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserves, variable payments, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may in his discretion prescribe;

"(8) be accompanied by an agreement by the mortgagee (not binding upon the Secretary as an assignee) that he will accept the benefits provided by section 14 in lieu of any right of foreclosure which he may have against the mortgaged property;

"(9) contain such covenants as the Secretary shall prescribe to assure that the farm will be maintained in repair, and waste and exhaustion of the farm prevented; and

"(10) contain a covenant by the mortgagor not to mortgage, lease, or otherwise dispose of his interest in the mortgaged property to any person until the Secretary has approved the acquisition of such interest by such person.

"(c) The Secretary shall make no premium charge for the insurance of mortgages under this title, but shall be authorized to collect such charges, fees, and reserves as may be prescribed pursuant to paragraphs (2) and (7) of subsection (b) of this section. If the Secretary finds upon the presentation of a mortgage for insurance that the mortgage complies with the provisions of this section, such mortgage may be accepted for insurance by endorsement or otherwise as the Secretary may prescribe.

"(d) The Secretary shall promptly remit to the mortgagee under any mortgage insured under this title any sums collected by him as agent for the mortgagee. The Secretary shall promptly advise any such mortgagee of any default by the mortgagor.

"(e) If the Secretary finds, with respect to any locality, that the mortgage market there prevailing will not absorb mortgages eligible for insurance under this section, he shall be authorized, within the limitations of subsection (a), to accept such mortgages for the account of the farm mortgage insurance fund in exchange for, or with the proceeds of, interim debentures issued in the name of such fund. Such debentures shall have the same incidents as debentures issued under section 14, but shall have such maturities, bear such rates of interest, and be issued in such manner as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Any mortgages so accepted for the account of the farm mortgage insurance fund shall, as soon as a market therefor is found, be sold by the Secretary, with the approval of the Secretary of the Treasury, and the proceeds used to retire a corresponding amount of interim debentures, in which event such mortgages shall become subject to all of the provisions of this title as fully as though they had been originally insured pursuant to this section.

"(f) Any contract of insurance executed by the Secretary under this section shall be conclusive evidence of the eligibility of the mortgage for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of any holder thereof from the date of the execution of such contract, except for fraud or misrepresentation of which such holder has actual knowledge.

"PAYMENT OF INSURANCE

"SEC. 14. (a) In any case in which the mortgagor under a mortgage insured under section 13 shall be in default for not less than 6 months, the mortgagee shall be entitled to receive the benefit of the insurance as hereinafter provided, upon assignment to the Secretary of (1) all rights and interests arising under the mortgage so in default; (2) all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction; (3) all policies of title or other insurance and all surety bonds and other guaranties and any and all claims thereunder; (4) any balance of the mortgage loan not advanced to the mortgagor; (5) any cash or property held by the mortgagee, or to which it is entitled, as deposit made for the account of the mortgagor and which has not been applied in reduction of the principal of the mortgage indebtedness; and (6) all records, documents, books, papers, and accounts relating to the mortgage transaction. Upon such assign-

ment the Secretary shall issue to the mortgagee debentures having a total face value equal to the value of the mortgage. For the purposes of this subsection, the value of the mortgage shall be determined, in accordance with rules and regulations prescribed by the Secretary, by adding to the amount of the original principal obligation of the mortgage which was unpaid on the date of default, the amount of all unpaid interest and the amount of all payments which have been made by the mortgagee for taxes, special assessments, water rates, which are liens prior to the mortgage, and insurance on the property mortgaged, and by deducting from such total amount any amount received on account of the mortgage after such default. If the collections from any mortgagor who is making variable payments are less than the current periodic payment due under the insured mortgage, which deficiency is not covered by previous prepayments, and such mortgagor is not in default in his variable payments, and has complied with all of the terms and conditions of the insured mortgage, the Secretary, in lieu of issuing debentures, as hereinabove provided, for the full amount of such mortgage, shall pay to the mortgagee the amount of such deficiency, less the amount of any such prepayments, which payment shall be advanced out of the farm tenant mortgage insurance fund for the account of the mortgagor. Such advance shall be repaid to the fund out of the first available collections received from the mortgagor, with interest thereon at the rate fixed in the insured mortgage.

"(b) The Secretary may at any time, under such terms and conditions as he may prescribe, consent to the release of the mortgagor from his liability under the mortgage or the credit instruments secured thereby, or consent to the release of parts of the mortgaged property from the lien of the mortgage.

"(c) Debentures issued under this section shall be in such form and denominations in multiples of \$50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of the mortgage determined as herein provided and the aggregate face value of the debentures issued, not to exceed \$50, shall be adjusted by the payment of cash by the Secretary to the mortgagee.

"(d) The debentures issued under this section to any mortgagee with respect to mortgages insured under section 13 shall be executed in the name of the farm-tenant mortgage insurance fund as obligor, shall be signed by the Secretary by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date the mortgage was acquired by the Secretary and shall bear interest from such date at a rate determined by the Secretary, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 percent per annum, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature 3 years after the 1st day of July following the maturity date of the mortgage in exchange for which the debentures were issued. Such debentures shall be fully and unconditionally guaranteed as to principal and interest by the United States. In the event that the Secretary fails to pay upon demand, when due, the principal or interest on any debentures issued under this section, the Secretary of the Treasury shall pay to the holders the amount thereof, which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures. The Secretary of the Treasury is authorized to purchase any interim debentures issued pursuant to section 13 (3), and for such purchases may use as a public debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any such purchases. All redemptions, purchases, and sales by the Secretary of the Treasury of such debentures shall be treated as public debt transactions of the United States.

"(e) In any case in which the mortgagor shall violate any covenant or condition of his mortgage, the Secretary may require an assignment of such mortgage, together with the incidents thereto as enumerated in subsection (a) of this section, in exchange for debentures to be issued in accordance with this section.

"PROCEDURE WITH RESPECT TO MORTGAGES ASSIGNED TO SECRETARY

"SEC. 15. (a) Upon accepting the assignment of any mortgage the Secretary shall ascertain whether or not the mortgagor desires to remain in possession of the mortgaged property. If the mortgagor does not desire to retain possession of the mortgaged property or if the Secretary is unable to make the findings prescribed by the sentence immediately following, the Secretary may proceed to foreclose the mortgage: *Provided*, That foreclosure proceedings shall not be instituted if the mortgagor conveys to the Secretary full title to the mortgaged property subject only to the mortgage lien. If the mortgagor desires to remain in possession of the mortgaged property and if the Secretary finds that the mortgagor (1) has made reasonable efforts to meet all defaulted payments and to comply with the other covenants and conditions of his mortgage and (2) will probably be able to meet such defaulted payments before, or within 5 years after, the maturity date, the Secretary shall enter into an agreement with the mortgagor providing for the payment of such defaulted payments, together with interest thereon, at such times not later than 5 years after the maturity date as the Secretary may deem to be within the probable future means of the mortgagor. Should any mortgagor with whom the Secretary has

entered into any such agreement thereafter fail to meet any payments the Secretary may proceed to foreclose the mortgage: *Provided*, That foreclosure proceedings shall not be instituted if the mortgagor conveys to the Secretary full title to the mortgaged property subject only to the mortgage lien.

"(b) Any property acquired by the Secretary pursuant to the provisions of subsection (a) shall be sold to farmers upon such terms as the Secretary may deem advisable. If, pursuant to the provisions of section 51, the Secretary shall bid for and purchase any property foreclosed under subsection (a), the net amount realized from the sale of any such property and in collecting such claims, after deducting all expenses incurred by the Secretary in handling, dealing with, and disposing of such property and in collecting such claims, exceeds the face value of the debentures issued and the cash paid for the assignment of the mortgage upon such property plus all interest paid on such debentures, then so much of such excess as does not exceed the total amount of the payments made by the mortgagor upon the purchase price of such property shall be paid to the mortgagor of such property, less any amounts owing to the Secretary under section 3 (e) of title I or otherwise.

"COUNTY COMMITTEES

"Sec. 16. (a) The county committee established under section 42 shall—

"(1) receive listings of farms in the county from any persons desiring to sell such farms to farm tenants;

"(2) receive applications from farm tenants desiring to finance the acquisition of farms by means of mortgages insured by the Secretary under this title and advise such farm tenants of the available listed farms; and

"(3) examine and appraise farms which farm tenants desire to acquire or the mortgage indebtedness upon which they desire to refinance by means of mortgages insured under this title.

"(b) If the committee finds that an applicant is eligible to receive the benefits of this title, that by reason of his character, ability, experience, and training he is likely to carry out successfully undertakings required of him under a mortgage which may be insured under this title, and that the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the insuring of a mortgage with respect thereto will carry out the purposes of this title, it shall so certify to the Secretary. The committee shall also certify to the Secretary the amount which the committee finds is the reasonable value of the farm, and where advances are to be made by the mortgagee for the construction of repairs and improvements the amount of such advances which the committee finds is economically justified on the basis of the income which can be realized from the operation of the farm.

"(c) No certification under this section shall be made with respect to any farm in which any member of the committee or any person related to such member within the third degree of consanguinity or affinity has any property interest, direct or indirect, or in which they or either of them have had such interest within 1 year prior to the date of certification.

"(d) No mortgage made by any person or with respect to any farm shall be insured under this title unless certification as required under this section has been made with respect to such person and such farm by the committee: *Provided*, That no mortgage shall be insured with respect to any farm unless it is of such size as the Secretary determines to be sufficient to constitute an efficient farm-management unit and to enable a diligent farm family to carry on successful farming of a type which the Secretary deems can be successfully carried on in the locality in which the farm is situated."

Sec. 2. (a) Subsection (b) of section 40 of the Bankhead-Jones Farm Tenant Act is amended by striking out "or title II, or both," and inserting in lieu thereof a comma and the following: "title IA, or title II,".

(b) Subsection (a) of section 42 of such act is amended by inserting after "title I" the following: "or title IA."

(c) Subsection (a) of section 50 of such act is amended by inserting after "title I" a comma and the following: "title IA."

Sec. 3. Section 3 of such act is amended by inserting therein a new subsection to follow immediately after subsection (d) thereof and to read as follows:

"(e) Mortgagors whose mortgages are insured under title IA may be granted loans under this title for (1) the construction of necessary repairs and improvements upon the mortgaged property, or (2) to enable such mortgagors to meet payments of principal and interest due upon such mortgages. Any such loan shall comply with all of the requirements of this title, except that the mortgage or deed of trust securing such loan may be junior to the mortgage insured under title IA."

Sec. 4. The last sentence of paragraph "Seventh" of section 5136 of the Revised Statutes, as amended, is further amended by inserting after the words "National Housing Act" the following: "or which are insured by the Secretary of Agriculture pursuant to title IA of the Bankhead-Jones Farm Tenant Act."

Sec. 5. Section 35 of chapter III of the act entitled "An act to regulate the business of life insurance in the District of Columbia," approved June 19, 1934 (48 Stat. 1152), is amended by inserting in paragraph 3 (a), after the words "Federal Housing Administrator", the following: "or which are insured by the Secretary of Agriculture pursuant to title IA of the Bankhead-Jones Farm Tenant Act."

Mr. BARKLEY. Mr. President, does the Senator propose to explain the amendment? Many Senators who have read the original bill have not been able to study the amend-

ment in detail, and I think it would be advisable for the Senator to explain it.

Mr. LEE. Mr. President, the purpose of the bill is to extend the principle of Government insurance to the purchase of farms for the rehabilitation of farm tenants. The total amount which can be insured over a period of 3 years is \$350,000,000. For the first year a limitation of \$50,000,000 is placed in the bill, and for the second year a limitation of \$150,000,000.

The bill does not change any of the principles or any of the regulations now governing under the Bankhead-Jones farm-tenant law. It merely extends that law by the device of insuring the mortgage, instead of appropriating money out of the Treasury for the purchase of farms.

The present Bankhead-Jones law has worked very satisfactorily. I desire to refer to two paragraphs from the Oklahoma Farm Stockman of July 1, 1939, with respect to the present law:

The program of the Farm Security Administration to lend tenants the money with which to buy farms in Oklahoma and Texas went over with a bang. The full allotment of money made to each State—namely, \$1,053,830 to Oklahoma and \$2,118,147 to Texas—was all used up before the dead line on June 30. This particular program, called the tenant purchase or T. P. program of the Farm Security Administration, was quickly and widely accepted in Texas and Oklahoma. Had time, money, and men been available, several times the amount of the sum available could have been used up in starting tenants upon farms bought by and for them. In the year which closed June 30, 181 tenants were financed to buy as many farms in Oklahoma. In Texas the number so bought was 380.

The present program is approved. It is satisfactory. This plan is simply to extend it without appropriation, but by using the plan, which has been followed in Federal housing, of insuring the farm mortgage.

Objection has been made in certain quarters to the fact that in contrast to the Farm Credit Administration Land Bank and Commissioner loans, and in contrast to the Federal Housing Administration insured mortgages, this bill would authorize Government guaranties of mortgages which may equal 100 percent of the value of the mortgaged farm.

To this objection there are two answers.

To require the making of down payments by farm tenants would defeat the whole purpose of the act. The number of farm tenants who are able to make down payments is so negligible that if assistance is to be limited to those who can make down payments, nothing will be done to meet the problem.

Furthermore, much of the criticism of 100-percent farm mortgages, as compared with 90-percent housing mortgages, is based on false analogies. The following elements of risk, necessarily involved in Federal Housing Administration financing, would not be present in the case of mortgages insured under the pending bill.

First. The 90-percent appraisal on F. H. A. loans is not 90 percent of the cost but 90 percent of the appraised value, which is permitted to include builder's profit, land subdivider's profit, architect's fees, and so forth. Hence, the F. H. A. insured mortgages normally represent 100 to 110 percent rather than 90 percent of the cost of the insured property, which would be the proper basis for comparison with the mortgages to be insured under the bill. Farm mortgages, on the other hand, would be appraised solely on the basis of income yield, with no "water" for miscellaneous profits, which may or may not be reflected in the actual income value of the security.

Second. Income to meet payments on F. H. A. mortgages is not derived from the mortgaged property. If neighborhoods deteriorate or industry moves away, payments will not be met, regardless of the initial cost of the dwelling. This risk would not apply to farm mortgages, since, with proper appraisal of income yield, payments will be assured out of income from the insured property itself.

Third. Federal Housing Administration mortgages cover property subject to depreciation. The mortgage must be paid off during the useful life of the building or else the Government must take a loss. Farm mortgages are not subject to this element of risk, since, with proper management, the

productive capacity of the farm and its security value will continue indefinitely. Such proper farm management, to prevent soil depletion and erosion, would be assured through appropriate covenants under which the Secretary would be authorized to prescribe proper farming management practices.

These considerations, of course, represent no criticism of the soundness of Federal Housing Administration loans, but are suggested merely to explain why the need for a down payment is not so important in the case of the farm mortgages as in the case of residential property subject to depreciation, neighborhood deterioration, and like risks.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. VANDENBERG. As I read the bill, it is proposed to insure 100 percent of the mortgage.

Mr. LEE. That is correct.

Mr. VANDENBERG. Is that the plan followed under the Federal Housing Administration?

Mr. LEE. That is the plan followed at the present time under the Bankhead-Jones farm tenant law.

As I have already stated, there are two main distinctions between the insurance of a Federal housing mortgage and a farm mortgage. One is that a Federal housing insurance plan includes the profit of the real-estate man or the one who opens a subdivision. It includes the profit of the constructor and builder; and most of it, of course, is a value which is placed on an improvement, which deteriorates much more rapidly than a farm. The other main difference is that the insurance of a home has no guaranty of an income, except as the person who lives in the home has a job somewhere; but the insurance of a farm is the insurance of a productive value which in itself can produce income to meet the required payments. The insurance of a residence in a community where there is an industry in which the persons who live in the residence work is dependent for its security upon the industry. If the industry in the community ceases to operate or closes, the people who live in the residences have no other way to secure an income with which to pay.

For these reasons this measure is different from the Federal Housing provision.

Mr. VANDENBERG. Does the Senator know of any activity whatever in connection with which the Government insures 100 percent of value?

Mr. LEE. Under the present Bankhead-Jones law the Government is lending 100 percent. Of course, this bill, like the present Bankhead-Jones law, provides that in the sale of farms, preference shall be given to farmers with down payment or with stock and equipment. One of the main reasons for the enactment of this bill, of course, is to rehabilitate people. There would be no purpose in our passing a law to set up a means to rehabilitate farm tenants and then put the requirements beyond their reach. Therefore, if we are to accomplish what we want to accomplish in this case, we must enact a law which will allow farmers to meet the requirements of the law.

Mr. VANDENBERG. As I understand the purpose of the bill, it is to transfer from the Public Treasury to private investment, if possible, the financing of tenant-farm mortgages through the device of insurance.

Mr. LEE. That is correct.

Mr. VANDENBERG. Does the Senator think private investment requires 100-percent guaranty in order to be protected? Would not private investment be attracted by a 90-percent guaranty, which would leave at least a 10-percent cushion between the Government and the total responsibility involved in the property?

Mr. LEE. I do not believe that would be appealing to the man who owned a farm in this particular case. The situation is different to that extent from the situation under the Federal housing law.

Mr. VANDENBERG. It seems to me a rather shocking contemplation that the Government is asked to accept 100 percent of the responsibility for private investment. I may not understand all the implications, but that does not sound like elementary common sense to me.

Mr. LEE. When the Senator closely examines the Federal Housing Act I think he will see that the difference between that measure and this one is that in this case there is a productive unit. In the case of the Housing Act there is not. As I explained a while ago, the 90-percent insurance in the case of the Housing Act includes certain profits. There is no watered figure in the insurance of a farm mortgage. All of it represents a value. If these farmers had 10 percent to pay down, they would already have farms, and be trying to pay for them; but if we are going to rehabilitate them at all it is necessary for us to provide a plan whereby they may become owners of farms.

Mr. VANDENBERG. The mortgage itself is 100 percent of the value of the farm. Is that correct?

Mr. LEE. That is correct.

Mr. VANDENBERG. So first the mortgage is issued on a 100-percent basis, and then it is guaranteed on a 100-percent basis. No margin of safety whatever is left at any point in the transaction.

Mr. ADAMS. Mr. President—

Mr. LEE. I yield to the Senator from Colorado.

Mr. ADAMS. Speaking of the Federal Housing Act, in that instance, of course, the insurance is limited to 90 percent. Then is not a charge made for writing the insurance?

Mr. LEE. That is correct. The charge is one-fourth of 1 percent, and the average price of the farms, for instance, in Texas and Oklahoma, in round figures, is \$5,000. One-fourth of 1 percent would be \$12.50 a year. If we can rehabilitate farmers for \$12.50 a year, that is much cheaper than allowing them to go to town and get on the W. P. A., and spend on them five or six hundred dollars a year, with the full knowledge that the money thus expended will all be gone.

Mr. ADAMS. Mr. President, will the Senator give me a little more information?

Mr. LEE. I yield.

Mr. ADAMS. There are one or two other provisions in the bill about which I wish to inquire. As I read the bill hastily this morning, it seemed to provide that anyone holding a mortgage on a farm might go to the fund and sell the mortgage.

Mr. LEE. I do not know what the Senator has in mind. Will he not go a little further with his question?

Mr. ADAMS. In section 13 it is provided:

The Secretary is authorized, upon application by the mortgagee, to insure prior to June 30, 1942, as hereinafter provided any mortgage offered to him which is eligible for insurance.

It would seem that any holder of a mortgage would want it insured, especially as it would not cost him anything and would not necessarily involve putting anyone on the land. Someone is already on the land, has borrowed money, and has given his mortgage. It is provided that the holder of the mortgage may have the mortgage insured, if I understand the provision correctly.

Mr. LEE. I do not believe that is what the bill provides. There are a number of conditions, beginning on line 23, page 19, which will have to be met before a mortgage is eligible for insurance.

Mr. ADAMS. I ask the Senator to explain another provision. As I read it, if the Government organization makes a loan, it becomes the owner of the mortgage, and if there is a default for more than 6 months, then there may be foreclosure. But as I read the bill it seems as though the man on the property could remain there for 5 years without making any payment; in other words, he could remain if he stated that he desired to remain. It seemed to me that was a rather long period of grace.

Mr. LEE. I believe the Senator will find that is in case the Secretary decides that the man has shown good faith.

Mr. ADAMS. True.

Mr. LEE. But because of something beyond his control, such as a drought, he can be granted an extension of time. Section 15 provides:

Upon accepting the assignment of any mortgage the Secretary shall ascertain whether or not the mortgagor desires to remain in

possession of the mortgaged property. If the mortgagor does not desire to retain possession of the mortgaged property or if the Secretary is unable to make the findings prescribed by the sentence immediately following, the Secretary may proceed to foreclose the mortgage: *Provided*, That foreclosure proceedings shall not be instituted if the mortgagor conveys to the Secretary full title to the mortgaged property subject only to the mortgage lien. If the mortgagor desires to remain in possession of the mortgaged property and if the Secretary finds that the mortgagor (1) has made reasonable efforts to meet all defaulted payments and to comply with the other covenants and conditions of his mortgage and (2) will probably be able to meet such defaulted payments therefor, or within 5 years after, the maturity date, the Secretary shall enter into an agreement with the mortgagor providing for the payment of such defaulted payments together with interest thereon at such times not later than 5 years after the maturity date as the Secretary may deem to be within the probable future means of the mortgagor.

Mr. ADAMS. My question was whether the 5-year period was not a rather unusual period of grace.

Mr. LEE. That is merely included as the maximum time which might be allowed to spread the principal payments and other payments over in order to give the tenant the full opportunity to become the owner of the place.

Mr. ADAMS. We are not to understand the foreclosure would be deferred 5 years if the man in possession made no payment and was merely scalping the land?

Mr. LEE. The Senator is correct; that would not be the case.

Mr. SHIPSTEAD. Mr. President, the bill provides for an insurance fund to insure mortgages under the law which permits tenants to become landowners. Is that the object?

Mr. LEE. That is correct.

Mr. SHIPSTEAD. It that all there is to it?

Mr. LEE. That is all there is to it. It is to help tenants to become landowners.

Mr. SHIPSTEAD. Are the hundreds and thousands of farmers who have been sold out by the Federal land bank eligible to purchase land under the proposed law, and to have their mortgages insured?

Mr. LEE. Yes; when they come within the provisions set forth in the bill.

Mr. SHIPSTEAD. Farmers who have been sold out under foreclosure and forced sale by other Federal agencies, which are now working overtime to close out and drive farmers into tenancy, will not be barred from coming under this insurance provision?

Mr. LEE. They will not.

Mr. SHIPSTEAD. I thank the Senator for that information.

Mr. LEE. They could be insured under the proposed law, and they would not be barred from their rights under the measure, provided they met the requirements any other farmer-tenant would have to meet.

Mr. SHIPSTEAD. But they could not get the benefits of the proposed law until they were sold out under foreclosure?

Mr. LEE. No; there is provision for refinancing. The Secretary is allowed to prescribe certain rules and regulations for refinancing.

Mr. SHIPSTEAD. Refinancing of those who have purchased land under the Tenant Act?

Mr. LEE. None of those who have purchased under the Tenant Act that I know of are in distress at the present time.

Mr. SHIPSTEAD. Is there any provision in the measure before us that farmers who have borrowed money from the Federal land bank, or have received so-called commissioner loans, can be refinanced and have their debts adjusted?

Mr. LEE. There is no language specifically referring to such farmers as different from any others.

Mr. SHIPSTEAD. This measure, then, and also the Bankhead-Jones measure, apply only to farmers who have no land; they can buy land, and under this measure their mortgages will be insured?

Mr. LEE. That is correct; but the measure also contains a provision for refinancing loans. It does not describe the beneficiaries; it does not limit the benefits to any class, either those who have borrowed from a mortgage

company or anyone else. It does not name them, nor does it name those who have borrowed from Government agencies, nor does it eliminate them. It does not refer to them, and does not name them.

Mr. SHIPSTEAD. Could a farmer who was being foreclosed for some deficiency in payment on commissioner loans or mortgages to the Federal land bank make application under the proposed act to be refinanced, and have his indebtedness adjusted?

Mr. LEE. I should say so. Let me read the provision, and the Senator can make his own deduction:

(b) To be eligible for insurance under this section a mortgage shall—

(1) have been made by a farmer who owns no interest in any real property (other than that covered by such mortgage or occupied by him as a residence and from which he does not derive any substantial part of his livelihood) (A) as security for the purchase price, or part of the purchase price, of a farm upon which he is conducting, or proposes to conduct, farming operations, or (B) as security for the payment of an indebtedness incurred for the purpose of refinancing a mortgage covering a farm upon which he is conducting, or proposes to conduct farming operations: *Provided*, That such mortgages shall not be accepted for insurance until rules and regulations with respect to the eligibility of mortgagors have been prescribed by the Secretary, with the approval of the President.

Mr. SHIPSTEAD. Does the Senator feel that under this measure relief would be afforded the farmer who has a mortgage on his farm to secure a loan by the Federal land bank, or to secure a Federal commissioner loan?

Mr. LEE. I feel that relief would be afforded to such farmers, and that is one of the purposes of the bill.

Mr. SHIPSTEAD. When the farmer is not a tenant?

Mr. LEE. As I conceive it, we do as much good when we prevent a farmer becoming a tenant as when we make a farm owner out of a tenant.

Mr. SHIPSTEAD. I wanted to know what would be done to prevent a farmer from becoming a tenant.

Mr. LEE. When in this bill we provide for refinancing it has all the possibilities of accomplishing that purpose.

Mr. SHIPSTEAD. Was that provision in the original Bankhead-Jones Act?

Mr. LEE. I do not believe so.

Mr. SHIPSTEAD. Is this a new provision?

Mr. LEE. This is a new provision.

Mr. SHIPSTEAD. Then the provision covers more than simply the insurance of mortgages.

Mr. LEE. It covers refinancing by the device of insuring mortgages.

Mr. SHIPSTEAD. By the way, what is the interest rate under the Bankhead-Jones Tenant Act?

Mr. LEE. Three percent. The same interest rate is provided in the pending bill.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. BARKLEY. I notice that the bill provides for the refinancing of existing mortgages. I understood that the main object of the bill was to try to make farm owners out of tenants in order to help them buy farms. In view of the refinancing provisions in the Farm Credit Administration Act, I wonder to what extent the bill proposes to enter a field which would be competitive with the Farm Credit Administration in the refinancing of existing mortgages.

Mr. LEE. In the first place, it is very difficult always to spell a thing entirely out, but the Senator will see that that is safeguarded by the proviso in about the middle of page 20, line 11, which reads:

Provided, That such mortgages shall not be accepted for insurance until rules and regulations with respect to the eligibility of mortgagors have been prescribed by the Secretary, with the approval of the President.

Mr. BARKLEY. I do not think that bears on the question. The question is, If all the farm mortgages now held by the Farm Credit Administration should be eligible to be refinanced under this bill, would there be enough money available? Would not all those who have obligations leave the Farm Credit Administration and refinance their obligations under this measure and have them insured at 100 percent,

and get the benefit of a 3-percent rate of interest, whereas they now pay 4 or 5 percent under existing law?

Mr. LEE. I do not believe so. That is the reason for putting in the measure the words "with the approval of the President."

Mr. BARKLEY. That is, the rules and regulations must receive the approval of the President.

Mr. LEE. In formulating rules and regulations, with the approval of the President, in my opinion, rules and regulations would not be promulgated which would put one agency of the Government against another.

Mr. BARKLEY. That might be assumed; and yet, if the law is sufficiently broad to permit eligibility of all existing mortgages to be refinanced at a lower rate of interest, and guaranteed and insured 100 percent, I wonder if all those who might want to make application for refinancing would leave any money for the man who does not have a mortgage but who wants to buy a farm and give a mortgage. I am merely trying to feel my way through this maze, for it seems to me we might set up two competitive agencies by the Government dealing in refinancing farm mortgages.

Mr. LEE. I believe that is safeguarded in the bill. The Senator agrees with me that it is just as desirable to prevent a farmer from losing his farm and becoming a tenant as it is to rehabilitate one who has already become a tenant?

Mr. BARKLEY. Yes, I do; and yet there might be instances in which men who have never owned farms and never been able to buy farms and give mortgages on them might have some right to preference over those who have borrowed and found that they could not pay for the farms after they had bought them.

Mr. LEE. Such persons are prohibited from doing so by language to be found earlier in the bill describing the eligibility requirements. The borrower has to be a real dirt farmer and farming the farm for a living. So the class referred to by the Senator would be eliminated. The bill provides safeguards against speculation.

Mr. BARKLEY. The language in page 20, subsection 1, is a little involved. It reads:

In order to be eligible for insurance under this section a mortgage shall (1) have been made by a farmer who owns no interest in any real property other than that covered by such mortgage.

I can understand that. If he has any other real estate he has no right to come in under this measure and claim that he can buy himself a farm or refinance one out of the provisions of this bill.

Then the language continues:

(A) as security for the purchase price, or part of the purchase price, of a farm upon which he is conducting, or proposes to conduct, farming operations, or (B) as security for the payment of an indebtedness incurred for the purpose of refinancing a mortgage covering a farm upon which he is conducting, or proposes to conduct, farming operations.

That means that if he gets the benefit of this measure he must be trying to buy himself a farm upon which he is going to live and move and have his being, and cultivate as a dirt farmer. Is that not true? Or if he is seeking to refinance one, he has to be in the same relation to it? Is that not true? He has to be the owner of the farm, and operate on it as a farmer?

Mr. LEE. That is correct. There are several limitations. The first is the amount of money available. The amount of money available for mortgages is much less than the amount which will be applied for. Therefore the most needy and most worthy cases will be first considered by the county committees.

We have then the check of the county committee made up of three well and carefully selected farmers of each county. Then, as a check against them, of course, there is the Secretary of Agriculture or his agents or representatives, as advisers. Finally action depends upon the approval of the Secretary or his agents. Since the purpose is to rehabilitate farmers who will make good, why naturally such farmers are going to be given preference. The law spells it out in so many words that preference must be given to those farmers who are married, who are experienced farmers, and who can

make a little down payment. Preference is also given to those farmers who have livestock and machinery.

Mr. BARKLEY. Let me ask the Senator another question. Take two farmers in the same neighborhood. One of them owns a farm on which he has a mortgage. He wants to refinance that through the provisions of the bill. Take a farm tenant living in the same neighborhood. He wants to buy a farm and finance it and insure it under the terms of the bill. Both of those men apply to the county committee. Let us assume that they cannot both be accommodated. Has the committee, or the Secretary or any agency under him, the right and discretion under the bill to decide the respective merits of those two men as to whether the tenant who wants to buy a farm and become a landowner in such a case shall be preferred over the man who has already bought one and has a mortgage on it and wants to refinance it?

Mr. LEE. There is no language in the bill which seeks to choose as between the two. That is left to the county committee and to the Secretary.

Mr. BARKLEY. If the county committee prefers the farmer who already has a farm but wants to refinance a mortgage on it, and the committee accommodates him, but cannot accommodate the other one, land ownership in that community would not thereby be increased. It would be made impossible for the tenant to own a farm, but would be made possible for the farmer with a mortgage to refinance it.

Mr. LEE. Of course, if the committee made such a decision they probably would prevent the preferred farmer from becoming a tenant.

Mr. BARKLEY. There are degrees of merit which enter into all individual cases of that kind. I suppose the committee would have the right to take into consideration whether he was a prudent farmer, a diligent farmer, a hard-working farmer, whether he has tried to pay his debt rather than simply to help him refinance it in any event and thereby deny to some other man who had never owned any land the right and the opportunity to buy it and to insure his mortgage and refinance it.

Mr. LEE. The spirit if not the letter of the bill charges the Secretary with the duty of considering all those things.

Mr. HILL. Mr. President—

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Does the Senator from Oklahoma yield to the Senator from Alabama?

Mr. LEE. I yield.

Mr. HILL. The Senator from Kentucky raised the question that there might grow out of the enactment of the proposed legislation competition between the various governmental agencies. The Senator threw out a very thoughtful suggestion. As I understand, the bill will be administered by the Secretary of Agriculture.

Mr. LEE. That is correct.

Mr. HILL. And as I understand, under the reorganization the Farm Credit Administration now comes under the jurisdiction and control of the Secretary of Agriculture. Is that not true?

Mr. LEE. Yes; that is what I understand.

Mr. HILL. So the Secretary of Agriculture would therefore have the administration of the provisions of the pending bill, and the Bankhead-Jones Farm Tenant Act, as well as the Farm Credit Administration. The provisions of all three acts would have to be administered by the Secretary of Agriculture.

Mr. BARKLEY. They would be administered under separate laws, and they would be separate organizations, just as much so as they are now. The difference would be that there is an over-all administrator with different reins over these bureaus under him held in separate hands. But I do not know whether that eliminates possible competition between the two.

Mr. ADAMS. Mr. President, I may suggest a little difference. The Federal land bank is privately owned.

Mr. HILL. The Senator from Kentucky is correct, that the two divisions would be separate, but they would be sep-

arate divisions under one head, and the fact that we have the one central head, one central authority ought to go far toward eliminating anything like competition between the different branches or different divisions. Is that not true?

Mr. LEE. I believe there would be complete coordination.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. SHIPSTEAD. I wish to ask the Senator a definite question. Under the Jones-Bankhead Act money can be loaned only to people who do not own farms, but who are tenants, so as to permit them to become owners. And as I understand the Senator, the purpose of the pending bill is to insure the mortgages of those who have been tenants and want to become owners.

Mr. LEE. That is correct.

Mr. SHIPSTEAD. And it is limited to them, as I understood the Senator from the beginning?

Mr. LEE. I will say to the Senator again, it also provides for refinancing a farmer who has a mortgage on his farm.

Mr. SHIPSTEAD. To what section of the bill does the Senator refer?

Mr. LEE. To page 20, beginning in line 8.

Mr. SHIPSTEAD. That language reads:

as security for the payment of an indebtedness incurred for the purpose of refinancing a mortgage covering a farm upon which he is conducting, or proposes to conduct, farming operations.

That makes him a renter. He wants to purchase a farm. That does not mean a man who already has bought a farm and has title to it, but has a mortgage on it.

Mr. LEE. If the Senator will read on, he will come to the language I have in mind.

Mr. SHIPSTEAD. I read further:

Provided, That such mortgages shall not be accepted for insurance until rules and regulations with respect to the eligibility of mortgagors have been prescribed by the Secretary, with the approval of the President.

If a man owned a farm, and had title to it, but owed money on it, and that money had not been borrowed under the Bankhead-Jones Act, he would go to the new organization under the Bankhead-Jones Act and borrow money to pay off the mortgage which he owed someone else. If so, the bill does more than merely provide for insurance of mortgages. It also amends the Bankhead-Jones Act, so that money may be loaned to others than tenants. Is that correct?

Mr. LEE. No. The bill provides for an insurance of the mortgage which the farmer would give when he refinanced.

Mr. SHIPSTEAD. Where is he going to refinance? Is he going to get the money under the Bankhead-Jones Act? Will mortgages which have not been incurred under the Bankhead-Jones Act be insured?

Mr. LEE. The farmer could not break a contract. The provisions of the bill do not authorize him to violate a contract. He would have to have the permission of the original lender and the holder of the mortgage to refinance it under the provisions of the bill.

Let me take an example. Suppose a farmer is in distress because of his loan. He applies for a loan to refinance under this provision. The holder of the mortgage, realizing the difficulty of the mortgagor paying out, feels that it would be a good thing to have the mortgage refinanced. Although the interest rate might be lower, the payments would be sure, because they would be insured by the Government. Therefore, the holder of the mortgage might be in a favorable frame of mind to accept the provisions and the insurance of the Government, and reduce his interest. Of course, if the original holder of the mortgage is not willing, this provision offers no relief.

Mr. SHIPSTEAD. There is nothing in the record of the Farm Credit Administration to indicate that it would do anything of the kind on a real-estate mortgage. It has sold out something like 60,000 farmers in the past 3 years. In the past 10 years 1 out of every 3 farmers in the United States has been sold out under foreclosure.

Mr. LEE. Of course, I sympathize with the farmers in that situation.

Mr. SHIPSTEAD. Under present conditions, at least in my section of the country, the man who is a tenant or a renter is better off than the man who owns the land and has a mortgage with the Federal land bank, because under present conditions and present prices the latter has no chance at all.

Mr. LEE. One of the purposes of the bill, of course, is to reduce interest rates.

Mr. SHIPSTEAD. On the one hand, we have a Federal agency refusing to reduce the interest rates, refusing to adjust the indebtedness, driving farmers to foreclosure and selling them out at foreclosure. In many instances the property is sold for one-half or one-third the amount of the loan, destroying all equities in the neighborhood. I have in mind a farm on which there was a mortgage of \$6,000. It was sold at foreclosure for \$2,000. The buildings alone were worth very much more than \$2,000.

On the one hand we have a Federal agency driving farmers into tenancy. On the other hand we have a Federal agency lending money at 3 percent to rehabilitate the farmers whom another Federal lending agency has driven into poverty and put on relief. It reminds me very much of a farmer in Minnesota who wrote me a letter, in which he said, "There is so much bum thinking in this country that we do not know where we are going to land. There is too much forth and back, and we go from nothing to nothing."

If there is anything in the bill under which a farmer driven into the streets by the money-lending policies of the Federal land bank and the Farm Credit Administration can be rehabilitated at 3 percent on another farm with a mortgage, insured by the Government, of 100 percent of the value of the farm, that is one thing. That is what I should like to know. If the bill permits that to be done, it amends the Bankhead-Jones Act. Does the Senator mean to say the bill does that?

Mr. LEE. It would not provide cash for the payment of a mortgage. It would only refinance, as I explained, when the holder of the mortgage agreed to the refinancing.

Mr. SHIPSTEAD. A bill providing for the readjustment of Federal land-bank mortgages has been pending before the Banking and Currency Committee for 2 or 3 months. It was first referred to the Committee on Agriculture and Forestry of the Senate, but the Democratic leader said that was out of order, and that the bill would have to go to the Banking and Currency Committee. He himself was made chairman of the subcommittee. He gave us an hour, and promised us further hearings. Since that time we have been unable to obtain any hearings on the subject. However, officials of the Federal land bank and the Farm Credit Administration appeared in opposition to a bill of that kind.

Mr. LEE. I will say to the Senator that I am very much in sympathy with farmers in the situation he describes, and I should like to see that condition corrected. However, I believe we would do well to take one step at a time. I feel that this bill is a help. I do not claim that it solves all the farm tenants' troubles.

Mr. SHIPSTEAD. I am not talking about tenants. I am talking about the men who are now in danger of becoming tenants. I should like to know if there is any relief for them in the bill. If there is, the bill must be an amendment to the Bankhead-Jones Act.

Mr. LEE. Of course the whole bill is an amendment to the Bankhead-Jones Act. It provides an additional title, title I (a), to the Bankhead-Jones Act.

Mr. SHIPSTEAD. Then I misunderstood the Senator in the beginning when he said the bill was confined merely to the insurance of mortgages. It also extends the lending provisions of the Bankhead-Jones Act; does it not?

Mr. LEE. That is not correct.

Mr. SHIPSTEAD. Under the provisions of the Bankhead-Jones Act, loans are made only to tenants and to those who do not own farms. The Senator has repeatedly said this afternoon that a man who owns a farm, or has title to a

farm, and has a mortgage on it held by a bank, a life-insurance company, or the Federal land bank, may have the mortgage refinanced under the provisions of the bill. Is that true?

Mr. LEE. That is correct, provided the man who holds the mortgage is willing to accept the terms outlined in the bill. However, the bill does not provide for additional cash to pay off the mortgage and then refinance it. It provides only insurance of a mortgage.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. TAFT. Is it not true that under the terms on page 20 of the bill, any farmer who has a mortgage on his farm may arrange to refinance the mortgage through an insured mortgage? If he has a mortgage on his farm, he may arrange to obtain a new mortgage which is insured.

Mr. LEE. Provided he meets the requirements, and provided the holder of the mortgage is willing.

Mr. TAFT. The holder of that particular mortgage may not be willing; but, as I read the bill, if he is paid off a new mortgage may be insured.

Mr. LEE. That would be true provided he could find someone to furnish the money to pay it off. However, the bill does not provide an appropriation to pay it off.

Mr. TAFT. No; but it assumes that persons are willing to lend money on farms at 3 percent if the Government guarantees the whole loan. They probably would be willing to do so. I do not see why they should not be willing.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. BANKHEAD. If the Senator will indulge me, in answer to the Senator from Ohio [Mr. TAFT], who seeks information, I submit that as a member of the Banking and Currency Committee the Senator should be aware of the provisions authorizing the insurance of mortgages on existing property under the Federal Housing Administration. In the beginning, 70 percent of the mortgages insured were on existing property, and the insurance had no relation to the construction of the property. The Senator is well aware of that development, because he and I were in attendance upon the hearings where those facts were developed.

The same situation that the Senator recognizes as existing then still exists. With reference to the insurance of existing mortgages applied under this program it is as possible for a farmer to have his mortgage insured for the man who holds a mortgage on his farm, as it is in the case of a residence under the Federal Housing Administration. But that does not mean that the regulations will permit the insurance of every existing mortgage.

In answer to the Senator from Minnesota with reference to the extension under the pending bill of the authority granted under the Bankhead-Jones Act, the pending bill does go further and really covers the proposition the Senator from Vermont [Mr. AUSTIN] so well argued the other night and which the Senator from Minnesota is now submitting, that there is justification, there is reason, cogent reason, for coming to the relief of distressed farm owners who are on the verge of being required to turn their farms over possibly to absentee landowners. In order to avoid that consequence, and not require them to submit to foreclosure and displacement before applying under the tenant law, not to require them first to enter upon a farm as a tenant, if conditions justify, under regulations which are required to be issued under the bill before anyone can qualify, specifying that the farmer should be reliable, dependable, and a good worker, but because of drought, flood, insects, or because of low prices of commodities or unfavorable seasons he is about to lose his property, then, he may take advantage of the law, just as the Senator from Minnesota has in mind, and as the Senator from Oklahoma had in mind in the drafting of this bill.

Of course, we have got to risk somebody, as the Federal Housing Administration has to do. Under the law the

Administrator of the Federal Housing Administration has to see to it that the insurance of mortgages on existing property shall not be guaranteed unless such mortgages are insured under fair and reasonable regulations looking to carrying out the spirit of the law.

So it is here. This is an extension of the authority given under the Bankhead-Jones Act which does not contain authority to insure but only to make loans to tenants who had been selected by reason of their character and qualifications and experience, and on the approval by the committee of both the applicant and the farmer. Under those circumstances he could obtain a loan. This bill goes one step further. It does not propose to take the money directly out of the Treasury, as the farm-tenant law does, because there are a large group of farmers who must have the help provided by the bill. In cases where a farmer is on the border line, in possession of his own property, going along as a farmer, but cannot hold on by reason of conditions over which he has no control, though with some help he may hold on, under regulations which, doubtless, the Secretary will issue to protect the Government, for this fund is limited—it cannot be thrown wide open—any honorable, decent, fair Administrator would issue such regulations as would bring about, for the volume of money involved, relief to the largest number of worthy and distressed farmers.

So I submit, in answer to the Senator from Ohio and the Senator from Minnesota, that there is nothing unusual about this proposal. It does, I repeat, confessedly go one step farther, but we have placed a limitation on the amount of insurance which may be issued upon the mortgages.

Mr. LEE. I thank the Senator from Alabama.

Mr. SHIPSTEAD. Mr. President, will the Senator yield for a moment?

Mr. LEE. I yield.

Mr. SHIPSTEAD. Under the Tenant Act the farmer only pays 3 percent. The Federal Government, the Congress, has subsidized the interest payments of Federal land-bank borrowers, however, to the amount of \$130,000,000 in the last 4 years, and still they cannot carry the weight, the burden, of the mortgages under present conditions.

It seems to me that if we could amend the Bankhead-Jones Act to carry mortgages at 3 percent to relieve the Federal land banks of these mortgages and let the farmers have the money for 3 percent, and insure it by the Government, the chances are that they could continue as farm owners.

Mr. BANKHEAD. Mr. President, the Senator must recognize that that is a different program. The Federal land-bank system is intended for the financing of farmers who are a step higher in financial circumstances than is the farm tenant. That is intended for the group who can furnish 25 percent of the purchase money, a group who have property to some extent, or, at least, have a firmer and more secure position in the ownership of their farms.

Someone has asked me since I have been here today whether the Federal land banks are privately owned or Government owned. We all know there is a combined ownership. The farmers have a certain amount of interest and the Federal Government has a certain amount of interest. The Federal Government really controls the election of four out of the seven members of the board of each bank. That is not a situation to scramble and mix with the purely farm-tenant program; and I now want to make a statement in order to prevent anybody from encroaching upon or attempting to scramble other farm programs with the Bankhead-Jones farm-tenant program, which was established by the Congress after a long deliberation, and which is now meeting, in such a splendid and wholesome way, the approval of the people of this country. I do not think this program ought to be mixed with the Federal land-bank program. I know what is in the Senator's mind. I heard him before the Banking and Currency Committee make a most interesting statement. I share his sympathy for the farmers who are on the "ragged edge," who are barely holding on, and some of whom are not holding on. I should like very much to see

the Federal land-bank program reorganized on the basis of a longer amortization period and a lower rate of interest.

We have reduced the rates of interest on home construction in the towns and cities. We have fixed a longer period of amortization. Nearly all farm mortgages, however, are based upon very short periods of time. I should like to see the period extended, as the Senator has in his mind. But the pending bill is an intermediate step; it is an effort to extend—accelerate would probably be a better word—the administration and development of the farm-tenancy program under which farm tenants may be converted into farm-home owners, so that what they have heretofore paid in rent will hereafter constitute an investment and create an equity and ultimate ownership and title to their own farms. That is a different group. That is the group just above the rehabilitation group of farmers now being administered to by the Farm Security Administration with such noticeable public approval. We have, first, the farm-security group, the rehabilitation group who do not come directly into ownership. Then we have the farm-tenancy group under the Bankhead-Jones Act. Here is an acceleration of that program. It puts some of them in the status of home owners, and while doing so, as has been well developed by the Senator from Minnesota, we also prevent a number of farmers from being converted into the tenancy class. So let us keep the separate steps in mind. We are moving in an orderly way; we are making splendid progress; and I hope we will be permitted to proceed with these different programs and different agencies which have been well worked out and are now being ably administered.

Mr. LEE. Mr. President, I send to the desk an amendment to correct a typographical error. On page 27, line 12, the numeral "(3)" should be changed to read "(e)."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 23, line 12, it is proposed to strike out the numeral "(3)" and insert in lieu thereof the letter "(e)."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. BORAH. Mr. President, I desire to occupy the floor for a few minutes.

Mr. LEE. I am ready for a vote on the bill if the Chair cares to put the question. Does the Senator from Idaho desire to speak on the pending bill?

Mr. BORAH. No; I merely wish to occupy the floor for a few moments, but if the Senator is ready to vote on the bill, of course, I do not want to interfere with that program. Do I understand that the Senator is ready to take a vote on the bill?

Mr. LEE. Yes.

Mr. BORAH. I do not desire to interfere with that being done.

SEVERAL SENATORS. Vote! Vote!

Mr. AUSTIN. Mr. President, I wish to offer an amendment to the amendment. I ask to have it stated, and thereupon I should like to explain it.

Mr. BORAH. Mr. President, I sought the floor on the theory that the bill was about to be voted on. I understand that the Senator from Vermont is not ready to have a vote taken on it.

Mr. AUSTIN. That is correct.

Mr. BORAH. I desire, then, if I may, to address the Senate on another subject.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BORAH. Yes.

Mr. TYDINGS. Will the Senator allow me to suggest the absence of a quorum?

Mr. BORAH. I prefer not to have that done.

Mr. TYDINGS. There are very few Senators in the Chamber.

Mr. LEE. Mr. President, there will be no debate on the amendment of the Senator from Vermont so far as I am concerned. I have read the amendment and am willing to accept it. It is substantially the amendment which the Senator offered a day or two ago. It has been agreed to by

the House; and if we can accept the amendment and vote on the bill, I believe that will wind up the matter. If not, of course, the Senator from Idaho may then make the remarks he has in mind.

Mr. AUSTIN. If the Senator from Idaho will permit this amendment to be accepted, I will retire and make my explanation afterward.

Mr. BORAH. Mr. President, I certainly do not desire to stand in the way of an immediate vote. If the amendment of the Senator from Vermont is to be voted upon, I will wait until some other Senator offers an amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Vermont to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. It is proposed to add to the committee amendment a new section, as follows:

Sec. 6. Section 4 of said act is amended by adding at the end thereof the following words:

"Provided, That if the amount thus determined for any State or Territory, other than the Territory of Alaska or the District of Columbia, shall be less than \$100,000, the allotment for such State or Territory shall be increased to \$100,000 and the amounts determined for the remaining States and Territories shall be adjusted accordingly: *Provided further*, That the funds so allotted to any such State or Territory may be loaned to enable the borrower to refinance an existing mortgage or mortgages on a farm personally operated and occupied by him and for necessary repairs and improvements thereon, in cases where the Secretary determines that such refinancing is necessary and will enable the borrower successfully to operate the farm, and that the borrower cannot obtain credit for such refinancing from any other Federal agency or federally incorporated lending institution. Such loans shall comply with, and be subject to, all the provisions of this title."

Mr. AUSTIN. Mr. President, the purpose of the amendment is to allow a certain portion of the funds provided for farm security to be used for refinancing an existing mortgage. That is the difference between the amendment and the original Bankhead-Jones Farm Tenant Act, which allowed these loans to be made for the purpose of acquiring farms.

The particular section of the original law which this amendment proposes to amend is section 4, reading as follows:

In making loans under this title, the amount which is devoted to such purpose during any fiscal year shall be distributed equitably among the several States and Territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

That is the end of the section. That is the whole of the section. It establishes a yardstick which does not work out equitably, because of the difference in the manner in which the inhabitants of different States have taken their titles to farms. Not many instances of farm tenancy are found in certain States of the Union. Thus we get a result in the allotments to the different States which is inequitable; and the purpose of the amendment is to cure that inequity.

I ask unanimous consent to insert in the Record a table showing the allotments according to the law as it is today, and the difference that the amendment I propose will make in the allotments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Adjustments in State allocations of tenant purchase funds required to give each State a minimum of \$100,000 annually out of \$50,000,000 appropriation

Name of State	Allocation of \$50,000,000 on present basis	Allocation out of \$50,000,000 on basis of \$100,000 minimum per State	Gain or loss
Alabama	\$3,077,655	\$3,034,999	—\$42,656
Arizona	61,330	100,000	38,670
Arkansas	2,437,780	2,404,112	—33,668
California	454,815	448,294	—6,521
Colorado (Reg. X)	263,325	259,474	—3,851
Colorado (Reg. XII)	107,490	106,319	—1,171
Connecticut	35,975	100,000	64,025
Delaware	58,170	100,000	41,830
District of Columbia	435		

Adjustments in State allocations of tenant purchase funds required to give each State a minimum of \$100,000 annually out of \$50,000,000 appropriation—Continued

Name of State	Allocation of \$50,000,000 on present basis	Allocation out of \$50,000,000 on basis of \$100,000 minimum per State	Gain or loss
Florida	\$308,115	\$303,968	-\$4,147
Georgia	3,175,015	3,131,013	-44,002
Idaho	195,225	192,498	-2,727
Illinois	1,558,950	1,537,171	-21,779
Indiana	927,910	914,715	-13,195
Iowa	1,652,805	1,629,438	-23,367
Kansas (Reg. VII)	958,925	945,627	-13,298
Kansas (Reg. XII)	107,035	105,382	-1,653
Kentucky	1,670,300	1,646,768	-23,532
Louisiana	1,884,450	1,858,000	-26,450
Maine	43,870	100,000	56,130
Maryland	226,220	222,941	-3,279
Massachusetts	84,840	100,000	15,160
Michigan	549,760	541,897	-7,863
Minnesota	1,077,160	1,061,781	-15,379
Mississippi	3,202,975	3,158,647	-44,328
Missouri	1,580,790	1,558,715	-22,075
Montana	186,200	183,599	-2,601
Nebraska	985,525	971,855	-13,670
Nevada	7,625	100,000	92,375
New Hampshire	19,100	100,000	80,900
New Jersey	88,465	100,000	11,535
New Mexico	123,855	122,243	-1,612
New York	383,485	377,970	-5,515
North Carolina	2,637,930	2,601,204	-36,636
North Dakota	519,045	511,922	-7,123
Ohio	1,121,635	1,105,807	-15,828
Oklahoma (Reg. VIII)	2,116,785	2,087,030	-29,755
Oklahoma (Reg. XII)	22,810	21,076	-1,734
Oregon	185,830	183,130	-2,700
Pennsylvania	594,140	585,923	-8,217
Rhode Island	10,335	100,000	89,665
South Carolina	2,030,825	2,002,724	-28,101
South Dakota	569,295	591,075	21,780
Tennessee	2,080,955	2,051,903	-29,052
Texas (Reg. VIII)	4,236,295	4,177,339	-58,956
Texas (Reg. XII)	349,000	344,716	-4,284
Utah	70,910	100,000	29,090
Vermont	46,020	100,000	53,980
Virginia	1,069,835	1,054,756	-15,079
Washington	231,225	228,093	-3,132
West Virginia	499,075	492,251	-6,824
Wisconsin	663,085	653,836	-9,249
Wyoming	59,760	100,000	40,240
Hawaii	435,220	429,021	-6,199
Puerto Rico	471,820	465,085	-6,735
Alaska	2,595		
Total	47,500,000	47,504,337	4,337

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Nebraska?

Mr. AUSTIN. I yield.

Mr. NORRIS. Is this amendment the same one that we agreed to the other day on another bill, and which went out in conference?

Mr. AUSTIN. It involves the same principle, but it is different in respect of the amount. Let me explain that matter briefly.

In the amendment referred to by the Senator from Nebraska, which we accepted, it was provided that 10 percent of the funds already appropriated should be allocated to the use of refinancing existing mortgages. That provision excited some Senator to offer an amendment which added an appropriation of \$10,000,000 to the bill we were then considering. I desire today to avoid such an impasse. I have now offered an amendment which adds nothing in cost to the Federal Government. It provides only that in making the allotments to the different States, if there are States which now receive less than \$100,000 annually, to each of those States there shall be paid a sum sufficient to bring up the total to \$100,000, and it shall be found by taking it away from the States which have a large amount of allotment created by this yardstick which I say has worked inequitably. The table which I am putting in the RECORD shows from what States the money comes. It is taken from States which now have a large amount, and is given to those which have a small amount, in order more equitably to distribute the funds and to accomplish the special relief which was intended to be accomplished, namely, to save thrifty farmers from losing their farms by means of these

farm-security provisions, which are refinancing, servicing, inducing the creditor to reduce the debt, inducing the creditor to accept a lower rate of interest, and inducing the creditor to accept an extended time of payment, so that the amount per year which has to be met by the farmer will be less than it has been, and then this further service: Advice, expert advice regarding how the particular farm could be improved and how it could be better operated to produce an income wherewith to pay the debt.

The whole scheme is wonderful. Where I have observed its operations, it is doing well. My purpose is to support it and aid it; and this amendment will accomplish that purpose if it is accepted.

I hope the sponsors of the pending bill will accept the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The question is on agreeing to the amendment reported by the committee in the nature of a substitute, as amended.

Mr. TAFT. Mr. President, I wish to speak on the question of the adoption of the amendment as amended.

NEUTRALITY

Mr. BORAH. Mr. President, the vote of the House of Representatives on the neutrality bill aroused great interest in those countries whose governments have long planned in different ways to direct or control the foreign policy of this country. There has been no exception in this matter as to dictators or so-called democracies. All alike have assumed that they could control, or at least affect, the foreign policy of this Nation, and bend it to their selfish and sinister interests.

In France, persons of influence, and the press generally, denounced the action of the House of Representatives in terms seldom heard in international affairs, especially by nations professing to be friendly or pretending to be decent. The denunciation arose out of the fact that the duly elected Representatives of the American Congress failed to determine the question under consideration in harmony with the selfish interests of France. "Congress," said a leading industrialist newspaper, "distinguished itself again"—again, be it observed—"by voting an incoherent and inopportune measure." Another widely circulated newspaper declared: "Congress made no distinction between the democracies and the dictators." Their contention was that Congress made no distinction between France and certain other European countries with which France was in controversy, and made no distinction between countries with different policies and different theories and different conditions and different ambitions; but, upon the other hand, Congress presumed to pursue a course which seemed to the elected Representatives of this country to be in the interest of the Nation which they represented.

Many more quotations might be made from the newspapers; but all of them are of the same tone and thought.

In respect to such criticisms, such exceptional tirades, one might ask: What is the difference between the dictators and the democracies in Europe when questions touching international affairs are being considered? How would, or could, the United States distinguish in foreign affairs between these dictators and the so-called democracies? For illustration, what was the difference in policy between the dictators and the democracies at Munich? Wherein did they differ in their foreign policies or principles? We are not concerned with their internal policies. When the hour came for the dictators and the democracies to join in an international movement of stupendous moment, that is, to destroy, literally to murder, the one real democracy in Europe—what was the distinction in the principles applied by the dictators and the democracies? When it appeared to be in the interests of the dictators and the democracies to break treaties, to disregard all law, legal, moral, or divine, all principles supposed to obtain among all honorable and decent communities, what was the distinction? In what respect did they differ? Did the dictators and the democracies disagree as to the fact they were willing to destroy a

helpless nation? Did they disagree as to how it was to be done? Was there anything considered by all, or any of them, except purely selfish interests, brutal, criminal, selfish interests? Did not the democracies, even at the suggestion of the dictators, go at midnight and serve notice on the President of the Republic of Czechoslovakia that the time had come for the dismemberment of this republic—a nation denied a hearing, denied the slightest opportunity for defense, to offer up its very existence, and to do so in haste, as one of the messenger democracies had other matters which required its attention shortly. When the time approaches for the dictators and the democracies to serve their own particular interests, they never differ as to their foreign policy in Europe unless their interests differ.

It is not surprising, therefore, that the majority of the House did not make any distinction between dictators and democracies, but pursued the old system of considering alone the interests of the people of the United States. France might well consider the action of the House incoherent and inopportune, because it was American.

This attack upon the action of the House was probably inspired and greatly accentuated by reason of the public speech of the French Foreign Minister, Bonnet, made at the very time when the neutrality bill was being considered, in which he insisted that we abandon our traditional foreign policy, urged that it was the duty of the United States to become associated in the foreign affairs of Europe and the conflicts of European nations, and to disregard henceforth the teachings of Washington and Jefferson and their successors, and to follow the leadership and accept the noble principles born of the sublime deeds which now enshrine Munich in everlasting unforgetfulness.

Mr. President, you can search history in vain and you will not find such utter disregard of respect and decency upon the part of one nation toward another professing friendship, except perhaps in instances where a nation has wholly forfeited all self-respect or lost all regard for its own rights or is powerless as was Czechoslovakia to protect itself.

Thus we have this situation: The Representatives of the American people are considering one of the most important matters which could come before them. By a majority vote it is determined that a certain course of action should be taken, and the official representatives of a foreign country and its press denounce this action of the American Congress and call upon our people to repudiate the action of the Congress, to reject the traditional foreign policy of our country, and to accept the policy of a foreign power. And this request is made in terms of autocratic contempt.

Mr. President, let us next consider the statements and the actions of the totalitarian states; for instance, Italy and Germany. Professing to find in such action upon the part of the House something offensive to France, these states sought to gather comfort, and it is said they manifested their feelings by smiles and gleeful words. It seems to me we should be guided or affected by their smiles no more than by their frowns, for we must know that underneath either or both is bitter opposition to every principle upon which this Republic rests. But knowing that this is true and that it is beyond our power to adjust these everlasting controversies in Europe, we should pursue the course dictated by our own interests and which would leave us most free to adjudge the pressing problems of our people at home. If we have a policy tested by a century and more of experience, and which has proven of incalculable worth and happiness to the American people, we need not be disturbed, certainly not controlled, by the sadness nor the sorrow, the bitterness nor the contempt, of two European countries affected by reason of their own controversies.

When Washington declared his policy of neutrality, he was denounced because it was claimed such policy favored England, with whom we had lately been at war, and worked injury, great injury, to France, which had been associated with us in the American Revolution. Washington was denounced for his alleged ingratitude toward France and his favor to England. Undoubtedly, as history well records, this

policy of neutrality was vehemently denounced in France and most favorably accepted in England, although both France and England stood ready to destroy the new Republic. But Washington was considering neither friends nor foes. He was considering what he believed to be the interests of the new Republic, and the denunciation of one and the apparent approval of the other disturbed him not at all. In contemplation of his duty, he was seeking to establish a policy to prevent the young Republic from "being wrecked on the rock of foreign wars." The Americans most generally—I presume it may be said unanimously—abhor the soulless conception of fascism, and more than abhor the cruel conception of nazi-ism. But are we to be driven either by their threats or by their apparent rejoicings to surrender or give up our conception of neutrality or the proper course for the maintenance of liberty in these United States? Our policy is an American policy. It should be maintained for the interests of no foreign nation, for or in the favor of no foreign government, but for the best interests of the American people and against all the "isms" and schemes which would seek to destroy it.

If we determined our foreign policy because of the denunciation of European nations one toward another, we would be changing our foreign policy about every fortnight. It has not been many weeks since Hitler and Chamberlain were walking arm in arm before the world declaring their agreement, their friendship, their confidence in each other, and frowning upon all this talk about dictators and democracies. Dictators and democracies were then living in splendid accord, and would have continued had the pledges of the European system, which we are urged to enter into, been worth the paper its pledges are written upon.

In the magazine section of the New York Times of last Sunday will be found a most excellent selection of sayings from the writings of the Father of our Country. The individual who made this selection performed a real service to his countrymen at this particular time. On the subject of neutrality, Washington said:

Sympathy for the favorite nation facilitating the illusion of an imaginary common interest in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter without adequate inducement or justification. * * * Europe has a set of primary interests which to us have none, or a very remote, relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns.

There will be recalled the determined effort of France to prevent the establishment of permanent peace between Great Britain and the new Republic. While anxious to see Great Britain lose her colonies, France was equally anxious to see these colonies pass to the control of herself, and schemed in every way possible to effectuate that purpose. Then, as now, it was urged that there were liberal nations in Europe, and brutal, treacherous, aggressive nations. Then, as now, we were urged to throw our influence on the side of humanity and against the aggressor nations. Then, as now, European nations were in controversy between themselves, and then, as now, they were seeking to make use of this Republic to their own selfish ends. But Washington was determined to adopt a policy of neutrality, and to stand aloof from the schemes of both, or all, European nations. They were unable to swerve him, either by their arguments or their denunciations or their rejoicings, from his course. He listened to neither false promises nor false pretenses. He thought alone of America and American interests. Had he listened to either France or Great Britain at that time, we would not have long been a Nation; we would have had a country broken in pieces, and the territory thereof distributed between different powers. That was what both groups of nations were seeking. We can no more afford to listen to the selfish arguments of one group of nations today than we could then, or be influenced by the arguments, denunciations, or smiles of either the dictators or democracies. They all have in mind just one thing, and that is to make such use of the United States as it is possible to make to serve their own interests.

We are told, however, that Europe has changed, and especially England and France have changed, for the better. The insistent argument now is that inventions, speedy transportation, and so forth, have brought the two continents closer together. It is claimed that there is really no difference between the European system and the American system, except as to particular nations. Here permit me to read a paragraph or so from an article by Anne O'Hare McCormick, appearing in the papers on July 2 of this year. This writer is a student of international affairs of noted standing, spending much of her time in recent years in Europe, and is not, as I understand, an isolationist—that term of studied reproach sought to be applied to those who are supposed to be overzealous in their support of American principles.

I read a paragraph from her article:

Nothing in the history of this country is more striking than the change in our relation to Europe. It isn't merely a shortening of distance, dramatized in the last fortnight by the inauguration of two passenger air services that cross the Atlantic in a day.

WE WANT TO KEEP OUT

Still less is it a change of mind. Since 1776 the Old World has moved at a pace so much slower than ours that today, in every respect, it is far more like its former self than this great land is like the dependent colonies that had the nerve to proclaim their independence. These States were then, as they are now, politically more mature than Europe. They had the sense to neutralize their imported diversities and rivalries in a Federal Union. They had the wisdom not to twist and warp their free growth by tying up with older nations, even with their friends against their enemies—

Referring to France and England—

with their fellow revolutionists against the defenders of the status quo.

America feels the same way about Europe in 1939. The desire to live our own life, independent of endless quarrels for domination, was never stronger than at this moment.

To those who have visited Capitol Hill in recent days it is very evident that the mind of Congress is disturbed and influenced by this feeling. Consciously or unconsciously, the representatives of the people are moved to strike at the extraordinary powers of the President because the shadow of dictatorship hangs over the world. The House whittles to nothing the wider discretion desired by the administration in the event of war because the revised neutrality bill enlarges the mandate of the Executive, but especially because of a fear that he will pull us into the conflict.

The truth is that the United States is obsessed by Europe. Talk to any American, whether he hails from Kansas or South Carolina, works in a delicatessen shop or a gas station, and 9 times out of 10 his chief concern isn't about Tientsin or Bolivia, the devaluation of the dollar, or the revaluation of his packet of cigarettes. His mind is on what's happening in Europe.

In reality, our relation to Europe has altered enormously. We are more alien to the grooved mind and stale traditions of the Old World than our fathers of 1776. We like it less than we did in 1917 because we know it better. The close associations of war and the dark period that followed have made us more cynical. From experience we have learned a hundred good reasons for arguing that we cannot save Europe, and that the best way to save reason, freedom, the values America stands for, is to steer clear of "other people's wars" and pay the stiff price of absolute neutrality.

Mr. President, these remarks have been called forth by reason of the statements made in both the totalitarian states and the so-called democracies concerning a matter which we are soon to pass upon.

I ask to have printed in the RECORD at this point as part of my remarks the article to which I have referred in the magazine section of the New York Times.

The PRESIDING OFFICER (Mr. SCHWARTZ in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

[From the New York Times Magazine of July 2, 1939]

WASHINGTON'S WORDS—WORDS FOR TODAY

As we are about to celebrate another anniversary of the Declaration of Independence it is clear that problems which beset the infant Nation born of that act are with us still. Many of the issues most vital today were the earnest concern of our first President even before he assumed his high office 150 years ago. And George Washington's writings—especially his Farewell Address—show how that fervent believer in American ideals (also an unshrinking realist), while he dealt with the practical situation, insisted always on the long view and the maintenance of fundamental principles.

The field he covered embraces foreign policy, neutrality, defense, a wide range of domestic relations, religion, and education. If his view was broad as well as long, the conviction behind his conclusions was intense. Against certain perils he warned his fellow

citizens "in the most solemn manner." And what he has to say includes much that arrests attention all the more sharply at the moment, because the march of events has recreated for our Nation of 130,000,000 a situation with regard to Europe curiously like that which existed for the Nation of 3,000,000 as the eighteenth century passed into the nineteenth.

The following quotations, under 10 topical headings, reveal the man no less than his considered opinion. (H. I. B.)

LIBERTY AND UNION

"There are four things which I humbly conceive are essential to the well-being, I may even venture to say to the existence, of the United States as an independent power.

"First, an indissoluble union of the States under one Federal head;

"Secondly, a sacred regard to public justice;

"Thirdly, the adoption of a proper peace establishment; and

"Fourthly, the prevalence of that pacific and friendly position among the people of the United States, which will induce them to forget their local prejudices and policies, to make those mutual concessions which are requisite to the general prosperity, and in some instances to sacrifice their individual advantages in the interest of the community.

"These are the pillars on which the glorious fabric of our independence and national character must be supported. Liberty is the basis, and whoever would dare to sap the foundation, or overturn the structure, under whatever specious pretext he may attempt it, will merit the bitterest execration and the severest punishment which can be inflicted by his injured country." (Circular letter to the Governors of the several States, 1783.)

"The unity of government which constitutes you one people * * * is the main pillar of your real independence; the support of your tranquillity at home; of your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. * * *

"And remember, especially, that for the efficient management of your common interests, in a country so extensive as ours, a government of as much vigor as is consistent with perfect security and liberty, is indispensable. Liberty finds in such a government, with powers properly distributed, its surest guardian. It is indeed little else than a name, where government is too feeble to withstand the enterprises of faction, to confine each member of society within the limits prescribed by the laws, and to maintain all in secure and tranquil enjoyment of the rights of person and property." (Farewell Address, 1796.)

FOREIGN POLICY

"The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. * * *

"Europe has a set of primary interests which to us have no, or a very remote, relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence therefore it must be unwise for us to implicate ourselves by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations, and collisions of her friendships and enmities.

"Our detached and distant situation invites and enables us to pursue a different course. * * *

"'Tis our policy to steer clear of permanent alliances with any portion of the foreign world: * * * Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies." (Farewell Address.)

NEUTRALITY

"The duty of holding a neutral conduct may be inferred, without anything more, from the obligation which justice and humanity impose on every nation in cases in which it is free to act, to maintain inviolate the relations of peace and amity toward other nations.

"The inducements of interest for observing that conduct will be best referred to your own reflections and experience. With me a predominant motive has been the endeavor to gain time for our country to settle and mature its yet recent institutions and to progress without interruption, to that degree of strength and consistency, which is necessary to give it, humanly speaking, the command of its own fortunes. * * *

"Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur.

"Hence frequent collisions, obstinate, envenomed, and bloody contests. * * * Sympathy for the favorite nation facilitating the illusion of an imaginary common interest in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducement or justification. It leads also to concessions to the favorite nation of privileges denied to others which are apt doubly to injure the nation making the concessions; by unnecessarily parting with what ought to have been retained; and by exciting jealousy, ill-will, and a disposition to retaliate, in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted, and deluded citizens (who devote themselves to the favorite nation) facility to betray, or sacrifice the interests of their own country without odium, sometimes even with popularity." (Farewell Address.)

DEFENSE

"The militia of this country must be considered as the palladium of our security, and the first effectual resort in case of hostility; it is essential, therefore, that the same system should pervade the whole; that the formation and discipline of the militia of the continent should be absolutely uniform, and that the same species of arms, accoutrements, and military apparatus should be introduced in every part of the United States. No one who has not learned it from experience can conceive the difficulty, expense, and confusion which result from a contrary system, of the vague arrangements which have hitherto prevailed." (Circular letter to the Governors of the Several States.)

"There can be no greater error than to expect or calculate upon real favors from nation to nation. 'Tis an illusion which experience must cure, which just pride ought to discard." (Farewell Address.)

PUBLIC CREDIT

"As a very important source of strength and security, cherish the public credit. One method of preserving it is to use it as sparingly as possible; avoiding occasions of expense by cultivating peace, but remembering also that timely disbursements to prepare for danger frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions in time of peace to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should cooperate." (Farewell Address.)

SUBVERSIVE TENDENCIES

"It is important * * * that the habits of thinking in a free country should inspire caution, in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another—the spirit of encroachment tends to consolidate the powers of all departments in one, and thus to create, whatever the form of government, a real despotism. * * *

"If in the opinion of the people, the distribution or modification of the constitutional powers, be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance may be the instrument of good, it is the customary method by which free government is destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield. * * *

"Toward the preservation of your Government and the permanency of your present happy state, it is requisite * * * that you resist with care the spirit of innovation upon its principles, however specious the pretends * * *. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions—that experience is the surest standard by which to test the real tendency of the existing constitution of a country—that facility of changes upon credit of mere hypothesis and opinion, exposes to perpetual change, from the endless variety of hypothesis and opinion." (Farewell Address.)

PRESSURE GROUPS

"The basis of our political systems is the right of the people to make and alter their Constitution of government—but the Constitution which at any time exists, until changed by an explicit and authenticated act of the whole people, is sacredly obligatory upon all. * * *

"All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberation and action of the constituted authorities, are destructive of this fundamental principle and of fatal tendency. They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the Nation the will of a party, often a small but enterprising minority of the community. * * *

"However, combinations and associations of the above description may now and then answer popular ends, they are likely in the course of time and things to become potent engines by which cunning, ambitious, and unprincipled men will be enabled to subvert the power of the people and to usurp for themselves the reins of government, destroying afterward the very engines which have lifted them to unjust dominion." (Farewell Address.)

PARTY RULE

"The alternate dominion of one faction over another, sharpened by the spirit of revenge, natural to party dissensions, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result gradually incline the minds of men to seek security and repose in the absolute power of an individual; and sooner or later the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purposes of his own elevation. * * *

"Without looking forward to an extremity of this kind (which, nevertheless, ought not to be out of sight), the common and continual mischief of the spirit of party are sufficient to make it the

interest and duty of a wise people to discourage and restrain it." (Farewell Address.)

RELIGION

"Of all the dispositions and habits which lead to political prosperity, religion, and morality are indispensable supports. In vain would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and cherish them. * * *

"And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason, and experience both forbid us to expect that national morality can prevail in exclusion of religious principles." (Farewell Address.)

"The citizens of the United States of America have a right to applaud themselves for having given to mankind examples of an enlarged and liberal policy; a policy worthy of imitation. All possess alike liberty of conscience and immunities of citizenship. It is now no more that toleration is spoken of as if it was by the indulgence of one class of people; that another enjoyed the exercise of their inherent natural rights. For, happily, the Government of the United States, which gives to bigotry no sanction, to persecution no assistance, requires only that they who live under its protection should demean themselves as good citizens, in giving it on all occasions their effectual support." (Reply to address from the Hebrew Congregation of Rhode Island, 1790.)

EDUCATION

"Promote * * * as an object of primary importance institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it is essential that public opinion should be enlightened." (Farewell Address.)

"It has always been a source of serious regret with me to see the youth of these United States sent to foreign countries for the purposes of education, often before their minds are formed or that they had imbibed any adequate idea of the happiness of their own, contracting, too frequently, not only habits of dissipation and extravagance but principles unfriendly to republican government, and to the true and genuine liberties of mankind, which thereafter are rarely overcome. * * *

"For these reasons, it has been my ardent wish to see a plan devised, on a liberal scale, which would have the tendency to spread systematic ideas through all parts of this rising empire, thereby to do away local attachments and State prejudices, so far as the nature of things would or, indeed, ought to admit, from our national councils. * * *

"Looking forward anxiously to the accomplishment of so desirable an object as this is, in my estimation, my mind has not been able to contemplate any plan more likely to effect the measure than the establishment of a university in the central part of the United States to which the youths of fortune and talent from all parts thereof might be sent for the completion of their education in all the branches of polite literature, in the arts and sciences, in acquiring knowledge in the principles of politics and government, and, as a matter of infinite importance, in my judgment, by associating with each other, forming friendships in juvenile years, be enabled to free themselves in a proper degree from those local prejudices and habitual jealousies which have just been mentioned, and which, when carried to excess, are never-failing sources of disquietude to the public mind and pregnant of mischievous consequences to this country." (Washington's will, written with his own hand, 1799.)

PROMOTION OF FARM OWNERSHIP BY TENANTS

The Senate resumed the consideration of the bill (S. 1836) to promote farm ownership by amending the Bankhead-Jones Farm Tenant Act to provide for Government-insured loans to farmers; to encourage sale of farms held by absentee owners to farm tenants; and to enable tenant farmers to become owners of farm homes through long-term, low-interest-rate loans on farms; and for other purposes.

Mr. TAFT. Mr. President, I wish to ask the Senator from Oklahoma [Mr. LEE] whether the \$350,000,000 and the \$50,000,000 which are to be spent during the next year are part of the expenditures suggested by the President in his recent letter to the Senator from South Carolina [Mr. BYRNES]. I notice that in the letter one of the items is farm-tenant program, total amount of all expansion of self-liquidating portion of the Farm Security Administration for tenant-farm purchases, rehabilitation program, loans for minor improvements and repairs, loans to resettlement cooperatives, and loans for water facilities, \$500,000,000. Loan disbursements for the fiscal year 1940, \$250,000,000.

Is this program part of that, or is it in addition to that, or has it any direct relation to that expenditure?

Mr. LEE. So far as I am able to say, it has no relation to it.

Mr. TAFT. Do I understand, then, that a bill will probably be brought in for an additional \$250,000,000 for tenant-farm purchases?

Mr. LEE. I cannot answer that question.

Mr. TAFT. The Senator is not advised. Does the Senator from South Carolina [Mr. BYRNES] have any more information regarding that matter?

Mr. BYRNES. I must say I did not hear the Senator's former question.

Mr. TAFT. I asked whether the \$350,000,000 under the pending bill was in addition to the \$500,000,000 suggested in the letter from the President to the Senator from South Carolina, which lists for the farm-tenant program \$500,000,000? Is this to be part of that \$500,000,000 or in addition to it?

Mr. BYRNES. Mr. President, I am unable to advise the Senator. My information is that if a bill of that kind is introduced it will be introduced by the Senator from Kentucky [Mr. BARKLEY]. I have not had any statement from the Senator from Kentucky about it, and I do not know what is intended.

Mr. TAFT. Mr. President, I am so much in accord with the purposes of the pending measure that I do not want to make any fight against it. I do, however, wish to make one statement. I do not think the Senate ought to adopt it under the theory that it provides for a duplicate of the Federal Housing Administration program. There are many differences between the two. There is a fundamental difference. It seems to me clear that the bill does not provide for insurance in any sense in which the word "insurance" may properly be used.

In the first place, in the bill, as I read it, the amortization period may be as long as 40 years, whereas under F. H. A. it does not exceed 25 years.

In the pending bill the interest rate is 3 percent. Under F. H. A. it is anywhere from 5 to 6 percent.

In the third place, the F. H. A., as pointed out, will only loan up to 90 percent in some cases and 80 percent in others, whereas under this bill the loan is 100 percent.

As I read the bill, the Secretary of Agriculture will service the law. He will collect the rents, the interest, and mortgage payments, instead of the mortgagee collecting those payments. In other words, the Government deals with the tenant and not the mortgagee.

Under the pending bill the mortgagee cannot foreclose. Under the F. H. A. the mortgagee forecloses, and then if there is a loss the Government, to some extent, takes care of it.

Under the pending bill the mortgagee cannot foreclose. If the lender is in default, the mortgagee simply acquires the Government debentures, and the Government takes over the mortgage and then carries the mortgage indefinitely and may extend it 5 years beyond the 40 years and spread the payments out much more thinly.

And finally in this case there is no premium charged for insurance. That is why I say it is not insurance at all. Insurance is a plan by which a number of people pay a premium in order that there may be finally payment for all loss. It is not insurance. It is a Government guaranty. There is no premium provided in this bill. It seems to me to be exactly the same as if the Government were loaning direct to the farm owner. I think we ought to consider it on that basis.

The F. H. A. is worked out on a scientific basis. The fund that will be built up from the insurance premiums, so far as we can see, will be sufficient to pay the losses that may occur.

Under the pending bill the Government assumes all such losses, and the Government itself loans the money.

So I think that in considering the bill we should realize that what we are doing is providing for additional Government loans.

I may say, thinking over the bill further, that I have rather changed my mind and would not say what I said a moment ago to the Senator from Oklahoma. I am a little

doubtful whether it is going to be effective at all. I doubt if there are many private individuals willing to loan money at 3 percent, even with a Government guaranty, when one takes into consideration all the trouble and the nuisance they are going to have in dealing with the Government in getting the mortgage insured and in working out the whole plan. I am doubtful of it. I think it is unfortunate that apparently the committee did not consult any banking experts on whether this kind of thing could be done or could not be done. Of course, the amount itself is not very large, and probably only the smaller amount is justified because the program is experimental.

I feel, however, so much in sympathy with the purpose of the bill that I hope that when it gets to the House it may either provide for a straight Government loan, or put the transactions on a strictly business basis, the way the F. H. A. is today. Certainly I do not want to take the time of the Senate in opposing the bill at this time.

The PRESIDING OFFICER. The question is in agreeing to the committee amendment as amended.

Mr. GURNEY. Mr. President, at this time I should like to give the Senate the advantage of the experience we have had in the State of South Dakota with a system similar to that outlined in the pending proposal. From a reading of the different sections of the bill it seems to me it is similar to the rural credits system with which we have had much painful experience in South Dakota. I do not want the Senate to feel that I am not in complete accord with the objectives of the bill; but I believe the Senate should have the benefit of the experience we have had in South Dakota.

In 1919 the people of South Dakota voted to amend the State constitution so that it would be possible to lend the credit of South Dakota to tenant farmers or prospective farmers who wanted to own farms in South Dakota. The credit of the State was loaned to the farmers to the tune of some \$60,000,000. Briefly, the outcome of that lending of the State's credit has been that up to the present time the State of South Dakota has sustained a loss of approximately \$40,000,000. It has sustained a loss in interest during the past 20 years, a loss due to the lesser value of the farms, and a loss on the principal amounts of the mortgages.

In the first place, the money was loaned in much the same manner as loans are proposed to be made under the provisions of the pending bill. The credit of the State of South Dakota was jeopardized to such an extent that the State had to turn over to the rural credits department one-half of the amount collected for a number of years from the State gasoline tax, which amounted to approximately \$1,000,000 per year. At the present time the State of South Dakota is indebted to the tune of approximately \$40,000,000 on account of the constitutional amendment of 1919, under which the credit of the State was loaned for the purchase of farms.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, in the nature of a substitute, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CALL OF THE ROLL

Mr. NEELY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Borah	Clark, Mo.	Gillette
Ashurst	Bridges	Connally	Glass
Austin	Bulow	Danaher	Green
Bailey	Burke	Davis	Guffey
Bankhead	Byrd	Donahay	Gurney
Barbour	Byrnes	Ellender	Hale
Barkley	Capper	George	Harrison
Bilbo	Chavez	Gerry	Hatch
Bone	Clark, Idaho	Gibson	Hayden

Herring	Lundeen	Pittman	Tobey
Hill	McKellar	Radcliffe	Townsend
Holman	Maloney	Reed	Truman
Holt	Mead	Russell	Tydings
Hughes	Miller	Schwartz	Vandenberg
Johnson, Calif.	Minton	Schwellenbach	Van Nuys
Johnson, Colo.	Murray	Sheppard	Wagner
King	Neely	Shipstead	Walsh
La Follette	Norris	Slattery	Wheeler
Lee	Nye	Smathers	White
Lodge	O'Mahoney	Stewart	Wiley
Logan	Overton	Taft	
Lucas	Pepper	Thomas, Okla.	

The PRESIDING OFFICER (Mr. HUGHES in the chair). Eighty-six Senators having answered to their names, a quorum is present.

PROHIBITION OF "BLOCK BOOKING" AND BLIND SELLING OF MOTION-PICTURE FILMS

Mr. NEELY. Mr. President, I move that the Senate proceed to consider Senate bill 280—to prohibit and to prevent the trade practices known as compulsory block booking and blind selling in the leasing of motion-picture films in interstate and foreign commerce.

Let me assure the Senate that if my motion prevails and I obtain the floor, I shall yield for any unanimous-request proceedings that will not interfere with my discussion of the bill immediately after the approval of the Journal tomorrow.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. NEELY. I yield to the Senator from Arizona.

Mr. ASHURST. The Senator does not expect to vote on the bill this afternoon, does he?

Mr. NEELY. Mr. President, I assure the able Senator from Arizona that there will be no vote on the bill this afternoon.

Mr. ASHURST. The Senator's word is all I need.

The PRESIDING OFFICER. The question is on the motion of the Senator from West Virginia.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 280) to prohibit and to prevent the trade practices known as compulsory block booking and blind selling in the leasing of motion-picture films in interstate and foreign commerce.

EXCHANGE OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN MATERIALS

Mr. BYRNES. Mr. President, I ask the Senator if he will yield to me to ask that the unfinished business be temporarily laid aside so that the Senate may proceed to the consideration of Senate bill 2697, which I send to the desk?

Mr. NEELY. With the understanding that the Senator's bill will not interfere with the consideration of S. 280 tomorrow, I gladly yield.

The PRESIDING OFFICER. Is there objection to laying aside temporarily the unfinished business for the purpose indicated by the Senator from South Carolina? The Chair hears none, and the unfinished business is temporarily laid aside.

The Senator from South Carolina has asked unanimous consent that the Senate proceed to the consideration of Senate bill 2697, the title of which will be stated.

The LEGISLATIVE CLERK. A bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. DANAHER. Mr. President, I do not object to the present consideration of the bill, but I should like to be heard in opposition to it.

The PRESIDING OFFICER. The Senator will have an opportunity to discuss the bill as soon as it shall be before the Senate. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2697), which had been reported from the Committee on Banking and Currency, with amendments.

Mr. DANAHER. Mr. President, may I now have the floor?

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DANAHER. Mr. President, as this bill is drawn, its sponsor, the Senator from South Carolina [Mr. BYRNES], tells me it is intended to give effect to the agreement which was entered into with Great Britain providing for the exchange of cotton for rubber. On the other hand, a reference to its provisions will disclose that it is general in its terms; that it applies to any possible future treaty; that it provides that the United States will dispose of the stocks of materials so acquired only in accordance with the terms of the applicable agreement, and that there are authorized to be appropriated sums of money to carry out the terms of agreements or treaties which have not as yet been concluded. Because of these general phases, constituting objections to the bill, I feel that this particular bill should be very definitely amended in order to present the issue involved in carrying into effect the treaty of June 23, 1939, with Great Britain.

But that is not the fundamental vice of the bill, Mr. President. Fundamentally, as I see it, this bill commits the Government of the United States to a brand new policy, and that is the policy of barter. By the terms of this bill we are entering into foreign markets and undertaking by virtue of agreements between representatives of our country and representatives of foreign countries to exchange our goods upon identically the same basis as Germany and Italy and other nations have been undertaking to exchange their goods, with reference to which policy condemnation has been voiced from one end of this country to the other; and yet now we find the United States adopting the very same policy.

Mr. President, I submit if in the effort to stimulate trade we merely dispose of a half million bales of cotton in return for which we take a certain number of thousand tons of rubber, and then we agree not to use that rubber for more than 7 years, and that we are not to dispose of it under any circumstances except as the treaty provides or except as agreements in the future may provide—and as this bill is drawn it does so provide—we by no means are gaining any advantage for this country in exchanging, on the one hand, stagnant stocks of cotton against, on the other hand, rubber or any other so-called strategic war material.

I believe that the very best thing this country can possibly do, as a matter of policy, is to undertake to stimulate its export trade in terms of dollars, in terms of gold, in terms of getting rid of the \$16,000,000,000 of gold which today are stagnant in this country, and which, were they used to acquire, in terms of purchase, supplies that we may need from other countries, would in turn make purchasing power available to the other countries and make it possible for them to buy all our merchandise insofar as any such country will need it at any time. By this type of arrangement, by a system of exchange, by a barter system, we not only are receiving no gains for our country but we are committing it to a policy as to which we should be willing to wait.

It may be worth saying, in passing, that only about 2 months ago we had before us a bill which proposed to authorize the use of a hundred million dollars to acquire strategic war materials. At that time the Senator from South Carolina [Mr. BYRNES] opposed the appropriation of \$25,000,000 a year, and, on his motion, the Senate voted that the amount should be reduced to \$10,000,000 a year, but when the bill reached the other House that body restored the authorization for \$25,000,000 a year, and when it came back to the Senate, over objection voiced by me and by others, the Senate restored the total authorization of \$100,000,000.

Mr. President, we have already committed this country in that bill to the acquisition of strategic war supplies and materials not indigenous to our soil. It seems to me that the full vice of this bill, committing this country to a barter system, ought to be recognized and with all its features in mind we should thereupon vote with reference to it.

I have no further argument to offer at the present time, but I believe that this bill is fundamentally objectionable for

the reasons already noted, but, particularly, if we are going to adopt the principle of carrying out the treaty agreement already entered into, then, at the very least, we ought to amend the measure in such fashion as to limit it definitely to making effective the treaty with Great Britain of June 23, 1939.

Mr. BYRNES. Mr. President, the purpose of this bill is to enable the Government to carry out the treaty obligation as entered into for the exchange of 600,000 bales of cotton for rubber. That treaty has been adopted unanimously by the Senate, and the good faith of this Government is now involved in its execution. In order to execute it, it is necessary to give to the Commodity Credit Corporation authority to transfer the cotton to which it acquires title in accordance with the terms of the treaty. The objection of the Senator from Connecticut—I know he would agree—should have been voiced against the ratification of the treaty.

The other objection the Senator makes, that this bill is general in its language, is not well taken, because, in the first three lines of the bill, it is specifically provided that "whenever the President, by and with the advice and consent of the Senate, has concluded an agreement" with another Government, the things thereafter set forth shall be done. It is only when this Government has entered into a solemn treaty with another Government that the terms of the bill are at all applicable. It was deliberately drawn so as to make certain that would be its effect.

Mr. President, I ask that the amendments which I have sent to the desk, and to which I referred earlier in the day, be now read and considered.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, after the word "are", it is proposed to strike out the word "now", so as to read:

Commodities produced in the United States which are held under loans made—

And so forth.

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 2, line 3, it is proposed to strike out the word "and" and to insert a comma after the word "War."

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 2, line 4, after the word "Navy", it is proposed to insert:

and the Secretary of the Interior, acting jointly through the agency of the Army and Navy Munitions Board.

Mr. BYRNES. Mr. President, that is the amendment suggested by the Senator from Vermont, which I readily agreed was proper, because it made this bill accord with the bill previously passed by the Congress.

The amendment was agreed to.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The LEGISLATIVE CLERK. On page 2, line 10, after the word "agricultural", it is proposed to strike out "commodities" and insert "commodities" followed by a comma.

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 2, line 11, after the word "materials", it is proposed to insert "as may be necessary to accomplish the purposes of this act."

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 2, line 20, after the word "available", it is proposed to insert the words "or disposed of."

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 3, line 6, after the word "act", it is proposed to strike out the following:

and for this purpose, the amount of notes, debentures, bonds, and other obligations which the Commodity Credit Corporation is empowered to issue and to have outstanding at any one time, and which the Secretary of the Treasury is authorized to purchase, under existing law, is hereby increased by such amount as may be necessary to provide sufficient funds to carry out the purposes of this act.

The amendment was agreed to.

Mr. AUSTIN. Mr. President, I call the attention of the Senator from South Carolina to the position of the phrase "as may be necessary to accomplish the purposes of this act." I understood that that phrase would modify the words "agricultural commodities" in line 10. I ask the Senator if it was his intention to have it modify those words.

Mr. BYRNES. Mr. President, I do not think it would be wise to do that, because once the strategic or critical materials were received in accordance with the treaty it would be necessary for the Corporation to have power to rotate such surplus commodities. In the case of rubber, which is one of the strategic and critical materials, we wanted to make certain that the Corporation would have power to rotate the rubber.

Mr. AUSTIN. Mr. President, as I interpret this sentence, it would not help the case at all to put that phrase where it is located. The words "such reserve stocks of strategic and critical materials" are sufficiently precise in their reference to show that they are only those which are necessary to carry out the purposes of the act anyway; but the object of having that phrase in the bill is to limit the procurement of agricultural commodities. If this phrase is not to modify that expression, there is not any limit—the sky is the limit—to the amount of procurement of agricultural commodities; and we do not want to afford another means of acquiring agricultural commodities to be put into storage.

I supposed all the time that this was a bill designed purely for the purpose of effectuating the exchanges to which it refers, and therefore that no more agricultural commodities would be acquired than were necessary to carry out and accomplish the purposes of the act. If this phrase remains where it is, it changes the entire meaning of the bill, and it would change my attitude toward the bill.

Mr. BYRNES. Mr. President, the purpose of the bill is exactly that which is referred to by the Senator; but I do not agree with him in the opinion he expresses, that the language referred to by him should be transposed, because the language is a limitation upon the procurement of both agricultural commodities and strategic and critical materials. The purpose is to make this limitation as to the agricultural commodities and as to the strategic and critical materials. Therefore, the limitation should be at the end of the sentence. That is, the only purpose of it.

Mr. AUSTIN. Then the Senator's answer originally given to my question was in error, I judge.

Mr. BYRNES. No; I do not think so, because the phrase is a limitation upon the procurement of agricultural commodities except for the purposes of this act; but I submit to the Senator that the fact that it follows the other words does not change the meaning that it is a limitation upon the procurement of agricultural commodities.

Mr. AUSTIN. Very well; if it fairly can be construed in that way I have no objection.

Mr. BYRNES. In my opinion there can be no justification for any other construction. So that the Record will show it I make the statement that there can be no question that that is the purpose of the phrase that it shall limit the procurement of agricultural commodities; but I want also to limit the procurement of strategic materials to the purposes of this act.

Mr. AUSTIN. Yes; I have no objection to that. I want the phrase to modify and limit both the acquisition of agricultural commodities and the acquisition of reserve stocks of strategic and critical materials.

Mr. BYRNES. The Senator's desire is my desire; and it is my belief that this language carries out that purpose. That is the object of the legislation.

Mr. DANAHER. Mr. President, will the Senator from South Carolina yield to me?

Mr. BYRNES. Yes.

Mr. DANAHER. In lines 20 and 21 on page 2 of the bill the committee has interpolated the words "or disposed of." May I ask whose language that is?

Mr. BYRNES. It was inserted at my suggestion, because of the fact that the words were:

Such reserve stocks of strategic and critical materials shall be made available—

But it was not clear to my mind that that language meant that they could be disposed of; and they must be disposed of, under the language of the bill, to the Army and Navy for storage purposes. It seemed to me it would be one thing to say the materials should be made available for disposition, but that does not say that they are disposed of; and it was necessary to make certain that the Commodity Credit Corporation could not only have the materials available for disposition, but could dispose of them to the Army and Navy for storage purposes, as was the purpose of the act.

Mr. DANAHER. And, in the case of this particular treaty with Great Britain, by its very terms, unless Great Britain gives her consent to the liquidation of the stock, we cannot liquidate it until 7 years shall have gone by. Is not that so?

Mr. BYRNES. The language of the treaty is that Great Britain cannot dispose of the cotton, nor can we dispose of the rubber, until the end of 7 years.

Mr. DANAHER. Will the Senator further yield?

Mr. BYRNES. Yes.

Mr. DANAHER. Will the Senator explain, as to lines 13 and 14 on page 3, what additional sums will be required to carry out the provisions of the bill, if the Senator knows?

Mr. BYRNES. The committee endeavored to secure an estimate. That phrase in the bill would cover the charges for the transportation of cotton from the places where it is stored in warehouses to the ports where it becomes the property of Great Britain; and it would cover, too, the charges for the transportation of rubber from Singapore to this country, because in the case of the rubber it becomes our property, and we pay the transportation charges. An estimate could not be secured, because the freight rates had not been considered.

Those are the only costs involved—the transportation charges upon cotton from the warehouses where it is now stored to the ports, and the freight charges upon the rubber we purchase. We are now paying \$4 a bale for storage of cotton; and I say to the Senator that as a result of this exchange, the rubber which is secured will be stored in warehouses of the Army and Navy. The Army and Navy advise me that they have warehouse facilities for the amount of rubber that we are to receive in the exchange, and that they are warehouses of such character that the insurance charges will be very small, if any at all. Consequently, on the exchange we shall save some money in storage charges.

Mr. DANAHER. Mr. President, will the Senator further yield?

Mr. BYRNES. Yes.

Mr. DANAHER. I ask unanimous consent that the treaty with Great Britain be inserted in the RECORD at this point, so that its relation to the general context of the discussion will become apparent.

The PRESIDING OFFICER. Without objection, it is so ordered.

The treaty is as follows:

AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNITED STATES OF AMERICA AND THE UNITED KINGDOM FOR THE EXCHANGE OF COTTON AND RUBBER

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland, desiring to make arrangements for the exchange of cotton and rubber, have agreed as follows:

ARTICLE 1. The United States Government will supply to the Government of the United Kingdom, delivered on board ship, compressed to high density, at New Orleans, Louisiana, and at other Gulf and Atlantic deep-water ports to be agreed upon between the two Governments, 600,000 bales of raw cotton of the grades and staples which will be specified by the Government of the United Kingdom. The United States Government will make available in adequate quantities for such purpose cotton from the stock on which the United States Government has made advances to growers.

(A) The price will be fixed on the basis of the average market price as published by the Bureau of Agricultural Economics for middling $\frac{3}{8}$ -inch cotton during the period January 1st–June 23rd,

1939, for spot delivery at New Orleans, plus 0.24 cents per lb. for cost of compression and delivery on board ship, with adjustments in price for other grades and staples according to differences above or below middling $\frac{3}{8}$ -inch quoted in that period.

(B) The cotton will be inspected to determine its classification in accordance with the universal cotton standards for grade and the official standards of the United States for staple, and will be accepted, by experts appointed by the Government of the United Kingdom. Any disputes which may arise will be settled by Boards of Referees constituted of three members, of whom one shall be nominated by the Government of the United Kingdom.

(C) Samples representing the cotton of the grades and staples specified by the Government of the United Kingdom will be made available for inspection and acceptance during a period of six months beginning 15 days after the entry into force of this agreement, and such inspection and acceptance will be made within a reasonable time after the cotton is so made available. Delivery at the warehouse at the port of sailing with provision for free delivery on board ship at high density will be made within 15 days after inspection and acceptance, and storage and insurance charges will be borne by the United States Government for a period of two weeks but no more after delivery at the warehouse at the port of sailing.

(D) All cotton will be invoiced and accepted on gross weights at the time of delivery.

ARTICLE 2. The Government of the United States will supply to the Government of the United States, delivered on board ship at Singapore and, by agreement between the two Governments, at other convenient ports, rubber in bales, of the grades which will be specified by the Government of the United States, to a value equivalent to that of the total value of the cotton to be supplied in accordance with article 1 of this agreement. In determining such equivalent value, the rate of exchange between Straits Settlements dollars and United States dollars shall be deemed to be the average of the buying rate during the period January 1st–June 23rd, 1939, in the New York market, at noon, for cable transfers payable in Straits Settlements dollars, as certified by the Federal Reserve Bank to the Secretary of the United States Treasury and published in Treasury Decisions.

(A) The quantity of rubber will be calculated upon the average market price, as published by the Department of Statistics in the Straits Settlements, for No. 1 ribbed smoked sheets, during the period January 1st–June 23rd, 1939, for spot delivery at Singapore plus 0.25 Straits Settlements cent per lb. for cost of baling and delivery on board ship, with adjustments in price for other grades according to differences quoted in that period.

(B) The rubber will be inspected and accepted by experts appointed by the United States Government. Any disputes will be settled in accordance with the normal custom of the trade.

(C) The rubber will be made available for inspection and acceptance by experts appointed by the Government of the United States during a period of six months beginning at a date to be agreed upon by the two Governments, and such inspection and acceptance will be made within a reasonable time after the rubber is so made available. Delivery at the warehouse at the port of shipment with provision for free delivery on board ship will be made within a period of 15 days after inspection and acceptance, and storage and insurance charges will be borne by the Government of the United Kingdom for a period of two weeks but no more after delivery at the warehouse at the port of shipment.

ARTICLE 3. If either Government should find that delivery in accordance with the arrangements specified in articles 1 and 2 is likely to restrict supplies available to commercial markets unduly or to stimulate undue price increases, the two Governments shall consult with a view to postponing delivery or taking other action in order to avoid or minimize such restriction of supplies or such price increases.

ARTICLE 4. The intention of the United States Government and of the Government of the United Kingdom being to acquire reserves of cotton and rubber, respectively, against the contingency of a major war emergency, each Government undertakes not to dispose of its stock (otherwise than for the purpose of replacing such stocks by equivalent quantities insofar as may be expedient for preventing deterioration) except in the event of such an emergency. If, however, either Government should at any future date decide that the time has come to liquidate its stock of cotton or rubber, as the case may be, it may do so only after (A) consulting the other Government as to the means to be employed for the disposal of such stock and (B) taking all steps to avoid disturbance of the markets. In no case may either Government dispose of such stocks, except in the case of a major war emergency, before a date 7 years after the coming into force of this agreement.

ARTICLE 5. The Government of the United Kingdom will use their best endeavors to secure that the export is permitted under the International Rubber Regulation Scheme of an amount of rubber approximately equivalent to the amount of rubber to be supplied to the United States Government under this agreement in addition to the amount of rubber which would, under the normal operation of the scheme, be released to meet current consumption needs.

ARTICLE 6. Each Government undertakes, in shipping to its own ports the stocks of cotton and rubber, respectively, provided for in this agreement, so far as may be possible to distribute the tonnage equally between the ships of the two countries, provided that the shipping space required is obtainable at reasonable rates. Consultation for the purpose of giving effect to this article shall be between the Board of Trade and the Maritime Commission.

ARTICLE 7. Should the United States Government, before the delivery is completed of the cotton provided for in article 1 of this agreement, take any action which has the effect of an export subsidy, they will deliver to the Government of the United Kingdom an additional quantity of cotton proportionate to the reduction in price below that provided for in article 1 of this agreement caused by such action.

ARTICLE 8. This agreement shall come into force on a date to be agreed between the two Governments.

In witness whereof the undersigned, duly authorized thereto, have signed the present agreement and have affixed thereto their seals.

Done in London in duplicate this 23rd day of June 1939.

JOSEPH P. KENNEDY.

OLIVER F. G. STANLEY.

Certified to be a true copy of the foregoing agreement as received by the Secretary of State by cable from the American Ambassador at London.

CORDELL HULL,

Secretary of State of the United States of America.

JUNE 24, 1939.

Mr. DANAHER. Mr. President, I will ask the Senator one further question. Is there objection to amending the pending bill so that it may apply solely to the treaty with Great Britain?

Mr. BYRNES. I will say to the Senator that I considered that matter when I first had the bill under consideration, and I again call attention to the language. We determined, instead, that we would specifically limit the authority of the Commodity Credit Corporation to a treaty. It cannot apply to any other agreement unless the agreement is entered into as a treaty, by and with the advice and consent of the Senate, and I submit to the Senator that that accomplishes what he has in mind. If that were not done, it would mean that if by chance during the next session of Congress an agreement should be entered into, we would again have to give to the Commodity Credit Corporation the authority to go through the procedure of transferring any commodities received to the Army and Navy. This bill affords the protection the Senator has in mind, because this power is not available to the Commodity Credit Corporation unless there is a treaty ratified by the Senate. If a treaty is ratified by the Senate, then automatically the Congress will have to enact legislation to carry out the purpose of the treaty.

Mr. DANAHER. Mr. President, I submit that the answer of the Senator from South Carolina by no means meets the issue raised by the bill, for the reason that if we limit it to one product which has already been covered by the treaty of June 23, that is one thing, and we will carry out the agreement and make it effective; but if we have continuing statutes of general application, recognizing the principle of barter, then it is perfectly apparent that we are undertaking a course of action in foreign exchange in the course of which we are going to be bartering American goods for foreign goods, and it is to the barter principle of exchange that I object.

It is no answer to say that we are going to have control in the future over each and every separate treaty which comes along. I recognize that we can undertake to defeat each one, but we would still be leaving the door open for future negotiations and future treaties, and we are going to be asked to carry them out, apparently, because we have here a bill which will have a general application, as appears right on the face of the trade agreements we are making with other nations through our Secretary of State, with which I do not agree, I may go on record as saying. But that is another matter. The situation before us is that this bill is committing this country to an unprecedented course of action, against which I protest.

Mr. BYRNES. Mr. President, it will not commit the country to a course of action unless any treaty entered into is ratified by a two-thirds vote of the Senate, and if that is ever done, then the treaty will have to be carried out.

Mr. VANDENBERG. Mr. President, we now have various types of mentalities making these foreign arrangements of one sort or another. I wonder whether, if in line 5, page 1, the word "agreement" were changed to "treaty" it would not more accurately reflect what the Senator has in mind.

Mr. BYRNES. Mr. President, the Senator from Vermont [Mr. AUSTIN] suggested that amendment today, and I have not the slightest objection to it. It was our thought that

the word "agreement" carried out specifically what was intended. If it would satisfy the Senator to substitute the words "a treaty" for the words "an agreement," I have no objection.

Mr. VANDENBERG. I should prefer that, and I move that in line 5, after the word "concluded", the words "an agreement" be changed to "a treaty."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. VANDENBERG. There is one other place in the bill where the same change should be made, on page 2, line 23, after the word "applicable", to strike out the word "agreement" and to insert "treaty."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANDREW J. CROCKETT AND WALTER CROCKETT

The PRESIDING OFFICER (Mr. HUGHES in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 875) for the relief of Andrew J. Crockett and Walter Crockett, which was, in line 13, after the word "lands", to insert a colon and the following further proviso:

Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. CHAVEZ. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INSURANCE OF COTTON CROP

Mr. BANKHEAD. Mr. President, with the consent of the Senator from West Virginia, I ask that the unfinished business be temporarily laid aside and that Senate bill 2635, to amend the Federal Crop Insurance Act, be taken up for consideration. I should like to make a statement about the bill.

Mr. NEELY. Mr. President, unless the matter can be disposed of this afternoon, I hope the Senator will not press his motion. If it can be disposed of today, I will not object.

Mr. BANKHEAD. I will not interfere with the Senator's bill. I give him my assurance to that effect.

Mr. NEELY. In view of the statement just made by the Senator from Alabama, I have no objection.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The bill was read, as follows:

Be it enacted, etc., That section 502 of the Federal Crop Insurance Act, as amended, is hereby amended by substituting the word "crop" for the word "wheat-crop" and by substituting the words "agricultural commodities" for the word "wheat."

Sec. 2. That section 506 (h) of said act, as amended, is amended by striking out the words "for wheat and other agricultural commodities."

Sec. 3. That section 508 of said act, as amended, is amended by striking out the first comma in subsection (a) thereof and inserting in lieu thereof the following: "and with the cotton crop planted for harvest in 1940."

Sec. 4. That section 508 of said act, as amended, is further amended by striking out the words "producers of wheat against loss in yields of wheat" in the first sentence and substituting in lieu thereof the words "producers of the agricultural commodity against loss in yields of the agricultural commodity."

Sec. 5. That section 508 of said act, as amended, is further amended by substituting the words "the agricultural commodity" for the word "wheat" in the third sentence of subsection (a).

Sec. 6. That sections 508 (b), (c), and (d) and 516 (a) of said act, as amended, are further amended by substituting the words "the agricultural commodity" for the word "wheat" wherever it appears.

Sec. 7. That section 508 of said act, as amended, is further amended by adding at the end thereof the following new subsection: "(e) In connection with insurance upon yields of cotton, to include provision for additional premium and indemnity in terms of lint cotton to cover loss of cottonseed, such additional premium and indemnity to be determined on the basis of the average relationship between returns from cottonseed and returns from lint

cotton for the same period of years as that used for computing yields and premium rates."

SEC. 8. That section 516 (a) of said act, as amended, is amended by striking out the figures "\$6,000,000" and substituting in lieu thereof the figures "\$12,000,000."

SEC. 9. That said act, as amended, is further amended by redesignating section 518 as section 519, and by addition thereto of the following new section:

"Sec. 518. 'Agricultural commodity' as used in this act means wheat or cotton, or both, as the context may indicate."

Mr. BANKHEAD. Mr. President, when the Agricultural Adjustment Act of 1933 was under consideration the crop-insurance plan as to the basic crop commodities, wheat and cotton, was under consideration. Finally, after the matter had been carefully considered and discussed in the Committee on Agriculture and Forestry, it was agreed, as members of the committee will uniformly testify, that we would support a plan for insuring the wheat crop and give it a demonstration and a trial. If it proved satisfactory and the Department desired to recommend the extension of the plan to cotton, it was agreed that the other agricultural representatives would support the program and put cotton on the same basis with wheat.

The Senate then passed the bill, and it went to conference. The Senate will doubtless recall how long the conference committee had the matter under consideration. The same subject arose in the conference, and there was a gentleman's agreement all the way around among those connected with the matter—and many know about it—that we would try the plan as to wheat, and then, as I stated, if it was satisfactory, we would include cotton.

The Department of Agriculture is satisfied with the administration of the wheat program, and the Department prepared the bill now before the Senate and brought it to me, with the statement that they wanted cotton put on the same basis with wheat. So we are merely asking that there be done with cotton what was done with wheat when the original bill was passed, and in line with the general understanding that that, of course, would not bind any one officially.

Mr. VANDENBERG. Mr. President, I think the Senator is entirely correct, that the understanding was that we were to experiment with wheat and see if the program would work, and that if it worked, we were to extend it further. Is the Senator suggesting that we have had a sufficient experience with wheat to have a right to an authentic conclusion as to the wisdom of the arrangement?

Mr. BANKHEAD. I would not go quite so far as the Senator has proceeded in his statement. I will, however, go so far as to say that the program has been carried out to the point where the Department are satisfied that it will successfully operate, and to the point where they are satisfied with the program, and have suggested that cotton now be included.

Mr. VANDENBERG. How long has the wheat insurance been in force?

Mr. BANKHEAD. One year.

Mr. VANDENBERG. Has it gone through one entire crop year?

Mr. BANKHEAD. Practically. We passed the bill in January 1938.

Mr. VANDENBERG. To what extent was wheat insurance taken out?

Mr. BANKHEAD. It was much better than anyone expected for the first year with an experimental program. I have figures which were sent to me. It seems that the Department has not gotten the complete reports, but the program is at an end, practically complete figures are available, and they figure that the number of policies issued to farmers will be 173,125.

Mr. VANDENBERG. Out of how many wheat farmers in the country?

Mr. BANKHEAD. I do not know, but it covers 56,687,976 bushels of wheat, on the insured-production basis. The estimated potential indemnities, are given as 8,071,807 bushels. So it has been a very substantial program, and for the first year has been received with a great deal more ap-

proval than was reasonably to be expected of a program of that kind.

With that in view, we want to have cotton included. We have not unduly hurried the administration, and did not even request action. They finally decided that they had gone far enough with wheat to understand that it was a worthy and commendable and probably a successful program. I recognize that there is never certainty about any insurable proposition; it is all more or less speculative, that is, not definite and certain. It looks as if there has been a widespread acceptance of the program.

Mr. VANDENBERG. What does a year's experience with the wheat insurance show to have been the net cost to the Federal Government?

Mr. BANKHEAD. The administrative cost, I understand, is approximately \$6,000,000.

Mr. VANDENBERG. Six million dollars?

Mr. BANKHEAD. The profit on the wheat-crop transactions appears to have been considerable. The premiums are much larger than the insured liability.

Mr. VANDENBERG. In other words, there is no insurable loss?

Mr. BANKHEAD. No. There is gain, apparently. So we believe it is fair to go along and let cotton be included. If we do not get action now, we will not get it this year. The bill has to go to the House for approval. Then it has to be budgeted and has to come back and be provided for in the deficiency appropriation bill before Congress adjourns. If we do not get cotton included now, and take the premiums out of this year's crop, we will have to go over for another entire year.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. BANKHEAD. I yield.

Mr. AUSTIN. What estimate of actual risks did the committee find would be taken in the event cotton should be included among the insurable commodities?

Mr. BANKHEAD. There was no way to figure that, I will say, if I understand the Senator's question. As the Senator probably knows, cotton is not as risky a commodity as wheat. For a period of years the cotton crop has not fluctuated as much as has the wheat crop. In the cotton area there is not such drought as sometimes exists in the wheat areas. The cotton farmers do not have the same likelihood of loss, on the average, that the wheat producers have.

Mr. AUSTIN. Has not the Senator any estimate of the liabilities which he can present to the Senate?

Mr. BANKHEAD. We have as to wheat. We have no way that I know of to estimate what the situation may be with respect to cotton. The liability in the case of wheat, as I just stated, is, on an average, greater than it is in the case of cotton.

Mr. AUSTIN. The Senator must have some calculation of the experience with cotton over 10 years, we will say, with respect to losses on account of weather.

Mr. BANKHEAD. I do not have the figures available.

Mr. AUSTIN. And there is absolutely nothing to go on?

Mr. BANKHEAD. Nothing but the judgment of the Department that this program ought to be put into operation.

Mr. AUSTIN. On what basis do they calculate insurance premiums if they do not know anything about the risk?

Mr. BANKHEAD. I assume they do know. They know as much about cotton as they did about wheat when the wheat insurance law was passed.

Mr. AUSTIN. What does the Department say with reference to it?

Mr. BANKHEAD. I did not ask them in detail. They said they believed the same risk would be involved. It was on that basis that they felt the measure should be adopted. The actuarial experts have taken the wheat situation into consideration, I will say to the Senator.

Mr. AUSTIN. Can the Senator say what will probably be the premium?

Mr. BANKHEAD. I am unable to say. During the consideration of the measure relating to wheat a discussion similar to the present one arose. If the Senator will read the RECORD, he will find that the same sort of discussion was had at that time.

Mr. AUSTIN. Without having any special knowledge on the subject, I inquire for information.

Mr. BANKHEAD. I shall be glad to give the Senator whatever information I have on the subject. I am acting on the judgment of the Department, which has had experience in the case of wheat.

Mr. ADAMS. Mr. President, I inquire if the hearings had before the committee on this matter have been printed?

Mr. BANKHEAD. No. We have no printed hearings. We had no regular, set hearings.

Mr. ADAMS. It is slightly disturbing to some of us who regard this matter as of great consequence, and as possibly involving considerable expenditure.

Mr. BANKHEAD. The bill does not fix any rates.

Mr. ADAMS. But it brings other commodities under the insurance law and inevitably involves the raising and expending of money.

Mr. BANKHEAD. I am sure the Senator recognizes that in any program covering basic agricultural commodities cotton should be included. There is a greater population on the farms on which cotton is raised than on the farms involving any other agricultural commodity. Cotton farms contain about one-half of the total farm population.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. RUSSELL. I think it might reassure some of those who are inquiring with regard to the bill to state that this measure does not increase the limitation on the Government's obligation for the capital stock that is carried in the bill providing for the insurance of wheat.

Mr. BANKHEAD. That is true.

Mr. RUSSELL. The amount of capital stock we originally fixed for the insurance of wheat is deemed sufficient to cover both wheat and cotton. Therefore the bill does not increase the obligation of the Government as to the capital stock of the corporation.

Mr. BANKHEAD. It does not increase the obligation except in the matter of administration.

Mr. RUSSELL. I said the capital stock.

Mr. ADAMS. It increases the liability, does it not?

Mr. KING. Mr. President, may I ask the Senator from Georgia a question?

The PRESIDING OFFICER. The Senator from Alabama [Mr. BANKHEAD] has the floor.

Mr. BANKHEAD. I yield for that purpose.

Mr. KING. I ask the Senator from Georgia the amount of the capital stock to which he refers.

Mr. RUSSELL. It is my recollection that the Wheat Insurance Act, to which this bill is an amendment, authorized a capital stock of \$100,000,000 for the Corporation.

Mr. BANKHEAD. That is correct.

Mr. KING. And this would be included in that \$100,000,000?

Mr. RUSSELL. In the same \$100,000,000. It does not increase the total liability of the Government as heretofore authorized by the Congress.

Mr. KING. Something must have developed in the hearings to show there would be a great loss, to require the setting up of a corporation with \$100,000,000 of capital to be furnished by the Government.

Mr. RUSSELL. The Senator from Utah understands that the original legislation on this matter was admittedly in the nature of an experiment. No one knew exactly what the results of it would be. It involved rather a unique plan of co-operation among all the farmers who are producing a specific commodity. The payments are payable in kind, in the crops, and necessarily, in starting out on a new venture of this kind by the Government, the Congress did not undertake to make as clear definitions as might have been the case in other legislation. A great deal was left to the dis-

cretion of the Secretary of Agriculture in fixing the terms, based on a study of losses of crops due to adverse weather conditions and insect attacks over a long period of years.

The Senator from Alabama has just stated what was also my understanding, that the original venture in wheat insurance had proved very successful, and would result in a profit to the Government. There is no reason to believe there would be a greater loss in cotton than there would be in wheat, and the experience of the Department has caused them to conclude that the original capital stock which was provided by the Congress would be sufficient also to support the present legislation, which merely places cotton on the same basis and accords it the same protection through insurance that has been heretofore accorded to wheat.

Mr. KING. Mr. President, I wish to ask the Senator another question. Does the Senator anticipate that the \$100,000,000 will be lost?

Mr. RUSSELL. I will say that all we have to guide us in making a prediction is the year's experience we have had, and if we have the same experience over a period of years, not only will the Government have suffered no loss, but the Government will have a profit to add to the original capital stock.

Mr. KING. If there is no loss from the operations thus far, but in fact a gain, why should not a part of that \$100,000,000 be restored to the Treasury?

Mr. RUSSELL. Of course, the Senator from Utah has suggested a question that is not involved in the pending legislation. I think it should come up on its merits in a separate bill. The pending measure merely brings cotton into the scheme of insurance. The point I wanted to make clear was that it did not affect the original authorization for capital stock.

Mr. TAFT. Mr. President, do I understand that the Department has approved the measure? Nothing is said in the report about it.

Mr. BANKHEAD. The Department has approved it.

Mr. TAFT. The Department has approved it?

Mr. BANKHEAD. Yes.

Mr. TAFT. Was not the exceptional experience of last year simply due to the fact that we had a good crop of wheat, a better than average crop of wheat? Was that not the reason the venture happened to be successful last year?

Mr. BANKHEAD. I am unable to answer the Senator's question about that.

Mr. TAFT. That would, of course, make a difference. The Government would make money when there was a good crop and lose money when there was a poor crop.

Mr. BANKHEAD. That naturally would be true. That, however, all works out on a basis of averages as estimated by the actuaries.

Mr. BARKLEY. The same thing would apply in all experience with insurance. The life insurance companies would all make a great deal of money if no one ever died.

Mr. BANKHEAD. Yes.

Mr. BARKLEY. The theory is that if there is a crop failure the insurance is supposed at least partially to take care of the loss. There will be good years and bad years. If there were no bad years, no insurance would be needed.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. LEE. Is it not a fact that the premiums can be paid in cash or in kind?

Mr. BANKHEAD. Exactly.

Mr. LEE. And, depending on the law of averages, perhaps most of the premiums will be paid in cash, but when the Government goes to pay the policy, so to speak, the Government can pay in kind. If we insure cotton and the Government collects some of the premiums in cash and pays all that it has to pay out in cotton, it seems to me that, considering the present situation, there is very little chance for the Government to be the loser, particularly when the Government has made loans on so much cotton. It seems to me only fair to extend the insurance feature to the cotton farmer. The

privilege has been extended to the wheat farmer, and the Government is making money on it. The privilege should be extended to the cotton farmer.

Mr. BANKHEAD. I hope we can get action on the bill, Mr. President, and get it over to the House, because there are a number of steps yet to be taken before it can be put into operation.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. AUSTIN. I had not heard of this matter before, and I am asking for information, and I am not attacking the bill.

Mr. BANKHEAD. I understand the Senator.

Mr. AUSTIN. I may be for it. I do not know. It depends on the information I receive. We start off with the same capital to extend the insurance feature to another commodity; that is, we add cotton to it. I should like to know does the bill provide that the Secretary of Agriculture may include other commodities?

Mr. BANKHEAD. It does not.

Mr. AUSTIN. If the bill should become law the only new and different commodity taken under the protection of crop insurance would be cotton. Is that correct?

Mr. BANKHEAD. That is true. No commodity can be added except by direction of the Congress.

Mr. AUSTIN. Then the extension of the risk—or, to put it another way, the burden of support which the Government gives—is limited to wheat and cotton?

Mr. BANKHEAD. That would be true if the bill were enacted into law.

Mr. AUSTIN. Of course there would be a corresponding increase of income, but that might be of a character in kind; that is, cotton instead of wheat would be added to the supply.

Mr. BANKHEAD. Yes.

Mr. AUSTIN. Does the Government sell the property which is taken as premiums?

Mr. BANKHEAD. The Government may either sell it or deliver it to farmers who have a short crop and who are entitled to insurance. The farmers may be paid in kind. The wheat collected as premiums may be paid to farmers who have not produced a normal crop.

Mr. AUSTIN. Each farmer has a policy which shows the amount of cotton to which he would be entitled?

Mr. BANKHEAD. That is the wheat program. We have yet no program for cotton.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. TAFT. Can the Senator state how many wheat farmers were insured last year?

Mr. BANKHEAD. One hundred and seventy-three thousand.

Mr. TAFT. Is it fair to say that the program is no longer experimental in the field of wheat, as it was supposed to be in the beginning?

Mr. BANKHEAD. I think we have had a very representative experience with it. The Senator knows the probabilities as well as I do, and about how long it would take to make a certain test.

Mr. TAFT. My understanding is that the program was confined to wheat because it was regarded as a very experimental program.

Mr. BANKHEAD. It was.

Mr. TAFT. I wonder if we have now had sufficient experience to extend the program to another crop. As I understand, the insurance of cotton is much more complicated than the insurance of wheat.

Mr. BANKHEAD. As I stated to the Senator, based upon a long record of normal weather, I do not think there is as much risk in insuring cotton as there is in insuring wheat. The usual cause for loss in crops is abnormal weather. Except in 1 or 2 years, during the past 8 or 9 years we have had normal weather and normal crop conditions in cotton.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Hughes	Pepper
Austin	Danaher	Johnson, Colo.	Pittman
Bailey	Davis	King	Radcliffe
Bankhead	Ellender	La Follette	Reed
Barbour	George	Lee	Russell
Barkley	Gerry	Lodge	Sheppard
Bilbo	Green	McKellar	Stewart
Bone	Guffey	Maloney	Taft
Byrd	Hatch	Mead	Thomas, Okla.
Byrnes	Hayden	Miller	Truman
Capper	Herring	Minton	Vandenberg
Chavez	Hill	Neely	Walsh
Clark, Mo.	Holman	Norris	White

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. A quorum is present.

Is there objection to the present consideration of the bill?

Mr. AUSTIN. Mr. President, I want it understood that the position I now take does not indicate that I shall ultimately be opposed to this bill; but I have tried to obtain specific information about such questions as the amount of risk involved in the legislation, the amount of premiums, the disposal of the product taken as premiums in kind, and other questions. Thus far I have been referred to some action or some discussion on the floor of the Senate a long time ago with respect to wheat, and at the same time I am told that cotton is a very different commodity in respect to the crop risk.

I think it is only fair to the Senate that we should take up this bill upon a basis of fact, and that we should have an estimate of the risk. We are dealing with insurance. It is a special kind of legislation, and it seems to me that to go at it blindly is not wise.

For these reasons, and for the purpose of getting before us something to move us to correct judgment, if possible, I am obliged to ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

Mr. BANKHEAD. I desire to give notice that immediately after the so-called Neely bill shall have been disposed of I shall make a motion to take up this bill. In the meantime I shall try to obtain the information desired by the Senator from Vermont [Mr. AUSTIN].

CANVAS DECOY CO.

The PRESIDING OFFICER (Mr. HUGHES in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1629) for the relief of the Canvas Decoy Co., which were, on page 1, lines 6 and 7, to strike out "the claim" and insert "all claims"; and on page 2, line 2, to strike out all after "Provided," down to and including "\$1,000" in line 13 and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. McKELLAR. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

POSTAL TELEGRAPH-CABLE CO.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1487) for the relief of the Postal Telegraph-Cable Co., which was, on page 2, line 2, to strike out all after "Provided," down to and including "\$1,000" in line 14 and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. MEAD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

REIMBURSEMENT TO MEMBERS OF COAST GUARD FOR LOSSES DUE TO
NEW ENGLAND HURRICANE, 1938

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2167) to provide for the reimbursement of certain members or former members of the United States Coast Guard for the value of personal effects lost in the hurricane of September 21, 1938, at several Coast Guard stations on the coasts of New York, Connecticut, and Rhode Island, which was, on page 4, line 10, after "\$29", to insert "": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. PEPPER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

FOUR HUNDREDTH ANNIVERSARY OF EXPLORATIONS OF FRANCISCO
VASQUEZ DE CORONADO

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2197) authorizing Federal participation in the commemoration and observance of the four hundredth anniversary of the explorations of Francisco Vazquez de Coronado, which was, on page 5, line 4, to strike out "194—" and insert "January 3, 1941."

Mr. HATCH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

WILLIAM CARL LAUDE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1291) for the relief of William Carl Laude, which was, to strike out all after the enacting clause and insert:

That the Secretary of Labor be, and is hereby, authorized and directed to record the permanent residence of William Carl Laude as of August 29, 1935, and that the warrant of deportation be canceled, and William Carl Laude shall not again be subject to deportation proceedings for the reasons set forth in said warrant, and that by the terms of this act he shall not be permitted to become a naturalized citizen of the United States unless and until he shall leave the United States and reenter in a lawful way in full compliance with the existing law.

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year.

Mr. CAPPER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

THE LEAGUE OF NATIONS

Mr. PEPPER. Mr. President, at this time, when the eyes of the world are chiefly centered on the international situation, I think it would be of interest to the American people to know how much is really being accomplished, in a totally nonpolitical way, by the nonpolitical phases of the League of Nations.

I have before me a copy of the Providence Sunday Journal, of Providence, R. I., the editor of which is Mr. Sevellon Brown, who is, I am informed, a good Republican, who has written a very fine editorial on the subject of the League's activities. This issue of the Providence Journal also carries a very splendid article on the subject "League's Successes Obscured by Politics."

I should like to emphasize the fact that the League of Nations must not be considered as dead merely because it has not been able to solve the political problems of the world. It is a going institution. It has in it the International Labor Organization and many other phases which are

contributing to a better understanding among the peoples of the world, and contributing vastly to the improvement of world conditions.

I ask leave to have printed in the RECORD an editorial appearing in this journal to which I have referred, entitled "One Ray of Hope", and also an article, "League's Successes Obscured by Politics", written by Mr. Winston Phelps.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Providence (R. I.) Journal of July 2, 1939]

ONE RAY OF HOPE

From the standpoint of international politics, there is no place in the world today for the League of Nations. Politically, it is impotent for collective security, which was the basis of its power to preserve peace, has been destroyed, and the democracies of Europe once more place their reliance on military cooperation—a return to power politics forced upon them by the dictators of Germany, Italy, and Japan.

But the League is not dead, and it will not die if the world's governments, our own among them, keep their faith in international cooperation in the economic and social fields. These, after all, constitute the real basis of lasting peace and good will, and it is in those fields that the League of Nations has done its most successful work.

It failed in Manchukuo, in Ethiopia, and in Spain. It could not prevent the destruction of Austria and Czechoslovakia. It no longer is a factor in the political field. But it has been exceptionally successful in the nonpolitical field, where it still operates with conspicuous success.

We mention this for two reasons: First, the League of Nations, as it doggedly pursues its great work in nonpolitical matters, keeps alive a small spark of that international cooperation which ultimately must save the world; second, because the League needs help badly in this work, and the United States can and should respond with an offer of permanent financial aid on a yearly basis.

We know, of course, that the League of Nations is anathema to a large group of American politicians and to many American citizens. But this opposition is purely political, based entirely on the traditional belief that we must abjure all entangling alliances with Europe. There never has been American opposition to the League's economic and social work, as our periodic participation in such activities has demonstrated. And we have benefited greatly from these actions.

Elsewhere in this section we print an analysis of the League's work in these fields. We show, for example, that the League developed the only effective opium-control organization the world has known. It greatly curtailed the world-wide traffic in drugs. It checked white slave traffic. It organized a health service on a world basis, and halted epidemics in various countries.

But this work, so essential to international good will, is in danger of destruction because of a lack of funds. Member after member has withdrawn from the League, for one reason or another, and that has cut its revenue by \$1,000,000 annually. Somehow or other, this revenue must be restored. We believe the United States should assume a full share of this burden.

[From the Providence (R. I.) Journal of July 2, 1939]

LEAGUE'S SUCCESSSES OBSCURED BY POLITICS—GENEVA'S VALUED HUMANITARIAN PROJECTS ARE THREATENED AS INCOME, PRESTIGE DECLINE—UNITED STATES HAS BEEN BENEFICIARY OF WORK

(By Winston Phelps)

In spite of its dismal political failures, the League of Nations is not yet ready to be scrapped.

It failed to stop Japan in the Orient. It failed to halt Italy in Ethiopia. It failed to bring a quick end to the civil war in Spain, and it didn't even bother to raise a finger when Germany snatched Austria, Czechoslovakia, and Memel.

But that isn't the whole picture. For every one of its political failures the League can point to a successful accomplishment in a nonpolitical field. Unhappily the League's successes have not been publicized as widely as its failures and that fact is responsible for the widespread belief that the League is dead.

Actually the League is a long step away from the cemetery. It faces difficulties and its future may be dubious, but it still has a half dozen machines running smoothly and efficiently to make the world a better place for all humanity.

It has, for example, the only effective opium-control organization the world has ever known. It has an international labor bureau, a health bureau, and other subdivisions, each with a long list of accomplishments to its credit.

DRUG TRAFFIC IS REDUCED

Thanks to the League, the enormous world-wide traffic in drugs has been reduced to a trickle. Thanks to the League, the white-slave trade has been checked, epidemics have been halted, new medicines have been developed, and a forum has been provided where the nations could gather to discuss their problems of housing, child welfare, and other topics.

Battered and bruised as it may appear, the League still is the only effective world organization struggling to promote peace, cooperation, and good will.

All these nonpolitical activities have been carried along successfully while the League was suffering political rebuffs. Recently, however, the League's loss of prestige and loss of revenue have affected the nonpolitical agencies. Activities have been curtailed. The prospect is that they may have to be curtailed again.

At the last session of the League Council the Secretary General reported the League's revenue had been reduced by \$1,000,000 annually and that as a result 87 of the League's 600 staff employees had been dismissed and the budgets of several of the departments had been trimmed.

Now the League's principal revenue comes from the dues of members. That source of revenue has fallen off because the members have been resigning in droves.

Here are the recent changes:

Resigned because of political differences: Japan, Germany, and Italy.

Eliminated when their independence was suppressed: Austria, Ethiopia, Czechoslovakia, and Albania.

Resigned out of sympathy for the Rome-Berlin axis: Hungary and Spain.

Dropped out for other reasons: Chile, Venezuela, Salvador, and Peru.

The loss of these 13 members reduced the League's annual revenue from about \$6,000,000 to about \$5,000,000. Adding to the League's plight is the fact that some nations, China for example, want to pay their dues but may be compelled to drop out because the money is needed desperately for other things.

NONPOLITICAL AFFILIATION

Regardless of what the United States and other nations may think about the League's political activities, all agree that the nonpolitical activities are worth while. Thus Germany has resigned from the League, but still cooperates with the League's opium-control organization.

And although the United States is not a member of the League and never has been, this country not only cooperates in all the nonpolitical activities but has assumed leadership in some of the work.

Even more of a threat to the League than the decline in revenue is the decline in interest. Most of the nations now are so absorbed by the prospect of war and so busy spending for armaments that they cannot be bothered to put their attention on the peaceful work stemming from Geneva. They are more interested in building guns than in building houses, more interested in preparing for air raids than they are in improving the health of their populations.

Arthur Sweetser, the only American director on the League Secretariat, concedes that the League may have to curtail some more of its activities if more members withdraw and revenue declines, but he believes there are a few nations that will remain loyal and that they will support at least a skeleton staff at Geneva through hell or high water.

More important than the problem of whipping up revenue, Mr. Sweetser said, during a New England visit last week, is the problem of whipping up interest.

The United States occupies an unusual position in its relations with the League. It is not a member and thus does not pay dues. It does participate in the nonpolitical activities, however, and for each of these activities Congress annually appropriates small sums supposed to be this country's share in the total cost.

Actually the small sums tossed in are not an honest share. They represent the prorated cost of the particular conference in which this country is interested, but do not take into consideration the year-round costs of rent, upkeep, and maintenance of permanent staffs.

In this respect the United States is getting more than it pays for. It is a beneficiary of the year-round work, but pays only its share of the conferences. All of the year-round expense is borne by the regular members.

SYSTEM OF DUES

The League has worked out an elaborate system for arriving at proper dues. The size, wealth, and influence of each nation member is taken into consideration and the dues are worked out on a unit basis. Britain's dues, for example, are about \$600,000 annually. Near the bottom is Liberia, which pays only \$25,000. The other nations are in between. With all the nations of the world, big and little, talking in terms of millions and billions for defense, these national payments to the League represent only small potatoes.

The attitude of the United States Government toward these nonpolitical activities of the League was expressed clearly last February in a letter written by Secretary of State Cordell Hull. The League asked nonmember States for their opinion of the League's work. Here is the Secretary of State's reply:

"The United States Government notes with interest the Assembly's reaffirmation of the policy of the League to invite the collaboration of nonmember States in its technical and nonpolitical activities. It shares the Assembly's satisfaction that such collaboration has steadily increased and the Assembly's belief that it is in the universal interest that such collaboration be continued and further developed.

SYMPATHETIC COLLABORATION

"The growing complexity of the modern world has for many years made increasingly clear the need for intelligent coordination of various activities and the pooling of information and experience in many fields. . . .

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"The League . . . has been responsible for the development of mutual exchange and discussion of ideas and methods to a greater extent and in more fields of humanitarian and scientific endeavor than any other organization in history. The United States Government is keenly aware of the value of this type of general interchange and desires to see it extended.

"Encouraging as has been the progress already made, much remains to be done for the promotion of human welfare in health, social, economic, and financial fields. This Government regards each sound step forward in these fields as a step forward toward the establishment of that national and international order which it believes is essential to real peace.

"The United States Government looks forward to the development and expansion of the League's machinery for dealing with the problems in those fields and to the participation by all nations in active efforts to solve them. It would not be appropriate for it to make specific suggestions for the development of the League's efforts to meet more adequately problems relating to the health, humanitarian, and economic phases of the human activities. It will continue to collaborate in those activities and will consider in a sympathetic spirit means making its collaboration more effective."

Let's look at some of the results of this international cooperation praised so highly by Secretary Hull.

Since the League rolled up its sleeves in 1929 and attacked the problem of the illicit drug traffic, the quantity of morphine produced in licensed plants the world over has been cut in half. Most of the half that has been eliminated, it is reasonable to suppose, was going into illicit channels.

And in that same period the estimated number of drug addicts in the United States has been cut from 100,000 to 50,000. Similar figures can be shown for most other nations. All are beneficiaries of the League's work in this field.

Equally dramatic have been the League's achievements in the field of medicine. Experts from Geneva have been sent to all parts of the world to check plague, cholera, yellow fever, dysentery, smallpox, and typhus fever. Information has been exchanged through the League to help governments improve their health services.

An epidemic of dengue (something like influenza) struck Greece in 1928 and the nation lacked facilities to stamp it out. An appeal went to Geneva, and the League sent a commission of experts—two Americans, an Englishman, a Frenchman, a Croat, and others—to survey the public-health problem in Greece. As a result, a model system of health and medical services was established in Greece.

NEW REMEDY FOR MALARIA

One of the League's proudest achievements is the development of a new and cheaper remedy for malaria. Quinine was too expensive, so "totaquina" was developed. Other new remedies have been tested and their value determined at the League's laboratories in Italy, Spain, Algeria, Malaya, and Russia.

Experts in the treatment of malaria have been trained at League centers. An institute for leprosy research has been established in Brazil. Studies have been made to control a new threat—spread of yellow fever by air services operating in tropical areas.

That is just a brief sample of the work the League is doing. It is work designed to help all mankind regardless of nationalities, of frontiers, and of political differences. The League has developed an elaborate and efficient machine for solving these international problems and every nation will feel the loss if disinterest lets the machine run down.

INVESTIGATION OF PROFIT-SHARING SYSTEMS

Mr. BYRNES. Mr. President, I ask unanimous consent for the consideration at this time of Senate Resolution 154, reported earlier today.

Mr. AUSTIN. To what does the resolution relate?

Mr. BYRNES. It is a resolution to pay the expenses incurred by an investigating committee. The Senator from Iowa [Mr. HERRING] and the Senator from Michigan [Mr. VANDENBERG] advised me that the amount called for in the resolution, \$2,738.91, was contracted for by the committee, and should be paid.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the resolution (S. Res. 154), submitted by Mr. HERRING on June 27, 1939, was considered and agreed to, as follows:

Resolved, That the limit of expenditures under Senate Resolution 215, Seventy-fifth Congress, third session, agreed to May 18, 1938, authorizing the Senate Finance Committee, or any subcommittee thereof, to investigate profit-sharing systems, is hereby increased by \$2,738.91.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HUGHES in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. NEELY, from the Committee on the Judiciary, reported favorably the nomination of Sam E. Whitaker, of Tennessee, to be judge of the United States Court of Claims, vice Richard S. Whaley.

The PRESIDING OFFICER (Mr. HUGHES), as a member of the Committee on the Judiciary, and from that committee, reported favorably the nomination of Martin I. Welsh to be United States district judge for the northern district of California, to fill a position created by law.

Mr. AUSTIN, from the Committee on the Judiciary, reported favorably the nomination of Edward L. Burke, of Vermont, to be United States marshal for the district of Vermont.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Armond W. Scott, of the District of Columbia, to be judge of the Municipal Court of the District of Columbia.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

FOREIGN SERVICE OFFICERS

The legislative clerk proceeded to read sundry nominations of Foreign Service officers.

Mr. BARKLEY. I ask that the nominations of Foreign Service officers be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

ARTHUR S. FLEMMING

Mr. BARKLEY. Mr. President, yesterday the Senate confirmed the nomination of Mr. Arthur S. Fleming to be a member of the Civil Service Commission. I ask unanimous consent that the President be notified of the confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified.

That completes the Executive Calendar.

ORDER OF BUSINESS

The Senate resumed legislative session.

Mr. BARKLEY. Mr. President, if there is no other business to be transacted, I shall move that the Senate adjourn.

Mr. NEELY. Mr. President, will not the Senator from Kentucky make a motion that the Senate take a recess, in order that there may not be 2 hours in the morning devoted to the consideration of the calendar, which time, of course, would be subtracted from the time which could otherwise be spent on Senate bill 280?

Mr. BARKLEY. I had not intended to have the calendar interfere with the unfinished business. The morning business will take but a few minutes, and I will ask that the calendar be called later. I do not propose to have the calendar called tomorrow so as to interfere with the Senator's bill.

The PRESIDING OFFICER. It is the understanding of the Chair that the bill of the Senator from West Virginia will be considered first tomorrow.

Mr. BARKLEY. It is the unfinished business, and will be considered immediately. It does not make any difference, so far as the consumption of time is concerned, whether we recess or adjourn. If any Senator has a bill to introduce or report to make he can usually get consent to do it. So I shall move to take a recess instead of to adjourn.

PERNICIOUS POLITICAL ACTIVITIES

Mr. HATCH. Mr. President, in view of the statement I made recently concerning Senate bill 1871, the bill relating to pernicious political activities, that a certain agreement had been arrived at between members of the House Committee on the Judiciary and myself that the House committee would report the bill and endeavor to obtain a rule from the House Committee on Rules for the consideration of the bill by the House of Representatives, I wish to say, for the Record, that I am just informed that the House Committee on Rules has this afternoon voted a rule, and has carried out completely the agreement which the members of the House Committee on the Judiciary had with me.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 18 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 7, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 6, 1939

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS IN THE REGULAR ARMY

Maj. Robert Kauch, Air Corps, to be lieutenant colonel from July 4, 1939.

PROMOTIONS IN THE REGULAR ARMY

To be colonels with rank from June 12, 1939

Lt. Col. Durward Saunders Wilson, Infantry.
Lt. Col. Maurice Duncan Welty, Infantry.
Lt. Col. Frank Floyd Scowden, Quartermaster Corps.
Lt. Col. Charles Hines, Coast Artillery Corps.
Lt. Col. Jack Whitehead Heard, Cavalry.
Lt. Col. Walter Kilshaw Dunn, Coast Artillery Corps.
Lt. Col. Walter Hale Frank (brigadier general, wing commander), Air Corps.
Lt. Col. Guy Woodman Chipman, Cavalry.
Lt. Col. Frederick Elwood Uhl, Infantry.
Lt. Col. Harvey Henry Fletcher, Infantry.
Lt. Col. John Frederick Landis, Infantry.
Lt. Col. Joseph Stephens Leonard, Infantry.
Lt. Col. John Arner Robenson, Cavalry.
Lt. Col. Joseph Page Aleshire, Cavalry.

To be colonels with rank from July 1, 1939

Lt. Col. Oscar Wolverton Griswold, Infantry.
Lt. Col. Harding Polk, Cavalry.
Lt. Col. Robert Horace Dunlop, Adjutant General's Department.
Lt. Col. Emil Fred Reinhardt, Infantry.
Lt. Col. William Augustus Beach, Adjutant General's Department.
Lt. Col. John Thomas Hazelrigg O'Rear, Coast Artillery Corps.
Lt. Col. Ralph Edward Haines, Coast Artillery Corps.
Lt. Col. Thomas Hardaway Jones, Coast Artillery Corps.
Lt. Col. Laurence Watts, Signal Corps.
Lt. Col. Henry Newbold Sumner, Adjutant General's Department.
Lt. Col. Edward Roth, Jr., Adjutant General's Department.
To be lieutenant colonels, with rank from June 12, 1939
Maj. Andres Lopez, Infantry.
Maj. Modesto Enrique Rodriguez, Infantry.
Maj. John Warlick McDonald, Cavalry.

Maj. Stuart Randall Carswell, Infantry.
 Maj. David Hazen Blakelock, Cavalry.
 Maj. John Oliver Hoskins, Field Artillery.
 Maj. Rinaldo Louis Coe, Cavalry.
 Maj. John Warren Cotton, Infantry.
 Maj. William Clarke, Field Artillery.
 Maj. Ira Benjamin Hill, Coast Artillery Corps.
 Maj. Jay Kenneth Colwell, Cavalry.
 Maj. Albert Russell Ives, Field Artillery.
 Maj. Paul James Dowling, Infantry.
 Maj. Otis Porter, Cavalry.
 Maj. Hermann Charles Dempewolf, Infantry.
 Maj. Berthold Vogel, Coast Artillery Corps.
 Maj. Renn Lawrence, Cavalry.
 Maj. John Richard Hermann, Infantry.
 Maj. Raymond Holmes Bishop, Infantry.
 Maj. James A. Summersett, Infantry.
 Maj. Hugh Coskery Gilchrist, Infantry.
 Maj. Joseph A. Sheridan, Field Artillery.
 Maj. John Lenhart Rice, Cavalry.
 Maj. Nelson Mark Imboden, Cavalry.
 Maj. Willis Henry Hale, Air Corps (temporary lieutenant colonel, Air Corps).
 Maj. William Powell Scobey, Infantry.
 Maj. William Cheney Moore, Infantry.
 Maj. Albion Smith, Field Artillery.
 Maj. Wharton Girard Ingram, Cavalry.
 Maj. Edwin Daviess Patrick, Infantry.
 Maj. Herman Frederick Kramer, Infantry, subject to examination required by law.
 Maj. Clarence Paul Evers, Infantry.
 Maj. Edward Scott Johnston, Infantry.
 Maj. Hugh Chapman Minton, Ordnance Department.
 Maj. Charles Wesley Gallaher, Field Artillery.
To be lieutenant colonels, with rank from July 1, 1939
 Maj. Adrian St. John, Chemical Warfare Service.
 Maj. John Colford Daly, Cavalry.
 Maj. Paul Everton Peabody, Infantry.
 Maj. Albert Francis Christie, Infantry.
 Maj. Robert McClean Carswell, Coast Artillery Corps.
 Maj. Ernest Hill Burt, Judge Advocate General's Department.
 Maj. Ray Milton O'Day, Infantry.
 Maj. Stacy Knopf, Field Artillery.
 Maj. James Madison Garrett, Jr., Field Artillery.
 Maj. Julian Wallace Cunningham, Cavalry.
 Maj. Clarence Edward Cotter, Coast Artillery Corps.
 Maj. Gordon Bennett Welch, Ordnance Department.
 Maj. Edmund Bernard Edwards, Field Artillery.
 Maj. Merritt Elijah Olmstead, Infantry.
 Maj. Benjamin Franklin Caffey, Jr., Infantry.
 Maj. Augustine Joseph Zerbee, Field Artillery.
 Maj. Frank August Heileman, Corps of Engineers.
To be majors, with rank from June 12, 1939
 Capt. John William Irwin, Infantry.
 Capt. Robert LeRoy Nesbit, Infantry.
 Capt. John Palmer Harris, Ordnance Department.
 Capt. Joseph Kahler Evans, Infantry.
 Capt. Fred Thomson Bass, Corps of Engineers.
 Capt. Rufus Alexander Byers, Infantry.
 Capt. Lawrence Haley Caruthers, Field Artillery.
 Capt. Frank LaRue, Infantry.
 Capt. Julian Dayton, Infantry.
 Capt. Michael Everett McHugo, Air Corps (temporary major, Air Corps).
 Capt. William Mason Wright, Jr., Field Artillery.
 Capt. Philip Whalley Allison, Field Artillery.
 Capt. James Lionel Grisham, Air Corps (temporary major, Air Corps).
 Capt. Joseph Worthen Proctor, Ordnance Department.
 Capt. Earl Seeley Hoag, Air Corps (temporary major, Air Corps).

Capt. Vincent James Meloy, Air Corps (temporary major, Air Corps).
 Capt. Charles Egbert Branshaw, Air Corps (temporary major, Air Corps).
 Capt. Edward Whiting Raley, Air Corps (temporary major, Air Corps).
 Capt. James Troy Hutchison, Air Corps (temporary major, Air Corps).
 Capt. Ivan Leon Foster, Field Artillery.
 Capt. Edwin Randolph Page, Air Corps (temporary major, Air Corps).
 Capt. Harvey Hodges Holland, Air Corps (temporary major, Air Corps).
 Capt. Russell Lowell Maughan, Air Corps (temporary major, Air Corps).
 Capt. Charles Emile Stafford, Quartermaster Corps.
 Capt. Oliver Perry Gothlin, Jr., Air Corps (temporary major, Air Corps).
 Capt. Eugene Benjamin Bayley, Air Corps (temporary major, Air Corps).
 Capt. Dache McClain Reeves, Air Corps (temporary major, Air Corps).
 Capt. Leo Fred Post, Air Corps (temporary major, Air Corps).
 Capt. John Carroll Kennedy, Air Corps (temporary major, Air Corps).
 Capt. Oscar George Fegan, Quartermaster Corps.
 Capt. Thomas Jefferson Davis, Adjutant General's Department.
 Capt. Charles Summer Reed, Ordnance Department.
 Capt. Edmund Pendleton Gaines, Air Corps (temporary major, Air Corps).
 Capt. Harvey William Prosser, Air Corps (temporary major, Air Corps).
 Capt. Clayton Lawrence Bissell, Air Corps (temporary major, Air Corps).
 Capt. Horace Simpson Kenyon, Jr., Air Corps (temporary major, Air Corps).
 Capt. Eugene Robert Cowles, Infantry.
 Capt. Phillip Henry Kron, Infantry.
 Capt. Raymond Clair Hildreth, Signal Corps.
 Capt. David Emery Washburn, Signal Corps.
 Capt. John Francis Alcure, Quartermaster Corps.
 Capt. Bernard Edward McKeever, Quartermaster Corps.
 Capt. Wallace Marmaduke Allison, Quartermaster Corps.
 Capt. William George Muller, Infantry.
 Capt. Leland Charles Hurd, Air Corps (temporary major, Air Corps).
 Capt. Robert Victor Ignico, Air Corps (temporary major, Air Corps).
 Capt. Rutledge Maurice Lawson, Infantry.
 Capt. Leland Ross Hewitt, Air Corps (temporary major, Air Corps).
 Capt. Clifford Cameron Nutt, Air Corps (temporary major, Air Corps).
 Capt. Will Vermilya Parker, Signal Corps.
 Capt. Harry George Rennagel, Infantry.
 Capt. Harry Samuel Fuller, Quartermaster Corps.
 Capt. Isaiah Davies, Air Corps (temporary major, Air Corps).
 Capt. Arthur William Vanaman, Air Corps (temporary major, Air Corps).
 Capt. Franklin Otis Carroll, Air Corps (temporary major, Air Corps).
 Capt. Frederick William Evans, Air Corps (temporary major, Air Corps).
 Capt. Oliver Edward Cound, Quartermaster Corps.
 Capt. David Nathaniel Hausman, Ordnance Department.
 Capt. George Lincoln Townsend, Signal Corps.
 Capt. Edwin Yancey Argo, Field Artillery.
 Capt. Harry Gage Montgomery, Air Corps (temporary major, Air Corps).
 Capt. Fred Cyrus Nelson, Air Corps (temporary major, Air Corps).

Capt. Edward Moses Morris, Air Corps (temporary major, Air Corps).

Capt. Everett Foster Rea, Finance Department.

Capt. James Elmer Boush, Quartermaster Corps.

Capt. Hugh Albert Bivins, Air Corps (temporary major, Air Corps).

Capt. Maybin Homes Wilson, Corps of Engineers.

Capt. Burton Frederick Lewis, Air Corps (temporary major, Air Corps).

Capt. Elmer John Bowling, Air Corps (temporary major, Air Corps).

Capt. Orin Jay Bushey, Air Corps (temporary major, Air Corps).

Capt. Fred Sidney Borum, Air Corps (temporary major, Air Corps).

Capt. Lawrence Carmel Jaynes, Infantry.

Capt. George Washington Polk, Jr., Air Corps (temporary major, Air Corps).

Capt. Christopher William Ford, Air Corps (temporary major, Air Corps).

Capt. Devereux Maitland Myers, Air Corps (temporary major, Air Corps).

Capt. Alfred Warrington Marriner, Air Corps (temporary major, Air Corps).

Capt. Guy Harrison Gale, Air Corps (temporary major, Air Corps).

Capt. Muir Stephen Fairchild, Air Corps (temporary major, Air Corps).

Capt. James Gradon Taylor, Air Corps (temporary major, Air Corps).

Capt. Leland Wilbur Miller, Air Corps (temporary major, Air Corps).

Capt. Edward Bates Blanchard, Chemical Warfare Service.

Capt. Raphael Baez, Jr., Air Corps (temporary major, Air Corps).

Capt. Don Lee Hutchins, Air Corps (temporary major, Air Corps).

Capt. Clarence Herbert Welch, Air Corps (temporary major, Air Corps).

Capt. Ennis Clement Whitehead, Air Corps (temporary major, Air Corps).

Capt. Joseph Lawrence Erickson, Quartermaster Corps.

Capt. Alfred Jefferson Lyon, Air Corps (temporary major, Air Corps).

Capt. Harold Lyman Clark, Air Corps (temporary major, Air Corps).

Capt. Sam Love Ellis, Air Corps (temporary major, Air Corps).

Capt. George Godfrey Lundberg, Air Corps (temporary major, Air Corps).

Capt. Eugene Lowry Eubank, Air Corps (temporary major, Air Corps).

Capt. Floyd Lavinus Parks, Infantry.

Capt. Lawrence Augustus Lawson, Air Corps (temporary major, Air Corps).

Capt. Albert William Stevens, Air Corps (temporary major, Air Corps).

Capt. Bayard Johnson, Air Corps (temporary major, Air Corps).

To be major, with rank from June 29, 1939

Capt. Frank Martyn Paul, Air Corps (temporary major, Air Corps).

To be majors, with rank from July 1, 1939

Capt. Samuel Martin Connell, Air Corps (temporary major, Air Corps).

Capt. Charles Burton DeShields, Air Corps (temporary major, Air Corps).

Capt. John Edwin Upston, Air Corps (temporary major, Air Corps).

Capt. Reuben Curtis Moffat, Air Corps (temporary major, Air Corps).

Capt. William Henry Schnackenberg, Quartermaster Corps.

Capt. Paul Langdon Williams, Air Corps (temporary major, Air Corps).

Capt. Thomas Aloysius Hoy, Infantry.

Capt. Eugene Gordon Mathews, Quartermaster Corps.

Capt. Clarence Peyton Kane, Air Corps (temporary major, Air Corps).

Capt. Harry Weddington, Air Corps (temporary major, Air Corps).

Capt. William Alexander Marsh, Infantry.

Capt. Benjamin Franklin Vandervoort, Quartermaster Corps.

Capt. James Pearce Wharton, Infantry.

Capt. George Thomas Barnes, Quartermaster Corps.

Capt. Samuel Custer Eaton, Jr., Air Corps (temporary major, Air Corps).

Capt. Hiram Wendell Tarkington, Field Artillery.

Capt. Marcellus Lowry Stockton, Jr., Cavalry.

Capt. Edwin Stewart Brewster, Jr., Field Artillery.

Capt. Wilbur Henry Vinson, Infantry.

Capt. Winfield Chapple Scott, Cavalry.

Capt. Leo Thomas McMahon, Field Artillery.

Capt. John Prosper Eckert, Field Artillery.

Capt. Phillip Bassett Shotwell, Cavalry.

Capt. Kie Doty, Infantry.

Capt. Ralph Eugene Ireland, Cavalry.

Capt. Bryan Llewellyn Davis, Field Artillery.

Capt. Mark Milton Potter, Field Artillery.

Capt. James Hodges Drake, Infantry.

Capt. Joseph Hemsley Stevenson, Corps of Engineers.

Capt. Leslie Shaw Williams, Quartermaster Corps.

Capt. Stephen Carson Whipple, Corps of Engineers.

Capt. William Taliaferro Fletcher, Cavalry.

Capt. Charles Albert Welcker, Infantry.

Capt. Millard Stowe Curtis, Infantry.

Capt. Arthur Clay Blain, Infantry.

Capt. Robert Lee Allen, Jr., Field Artillery.

Capt. Joseph Edwin McGill, Infantry.

Capt. George Hely Molony, Infantry.

To be major, with rank from July 4, 1939

Capt. Harry Luther Coates, Infantry.

MEDICAL CORPS

The following-named officers of the Medical Corps Reserve to be first lieutenants in the Medical Corps, Regular Army, with rank from date of appointment:

William Nelson Donovan.

Leslie Woodworth Langs.

APPOINTMENTS IN THE NAVY

MARINE CORPS

The following-named citizens to be second lieutenants in the Marine Corps from the 1st day of July 1939:

Mark S. Adams, a citizen of Georgia.

Hoyt U. Bookhart, Jr., a citizen of South Carolina.

Michiel Dobervich, a citizen of North Dakota.

Frederick R. Findtner, a citizen of Oregon.

Frank E. Gallagher, Jr., a citizen of Massachusetts.

Edwin C. Godbold, a citizen of Alabama.

Gordon A. Hardwick, a citizen of Minnesota.

Earl R. Kindig, a citizen of Iowa.

James S. Mullins, a citizen of Illinois.

Thomas S. Nurnberger, Jr., a citizen of Michigan.

Michael E. Peshek, a citizen of Oklahoma.

Albert H. Potter, a citizen of Massachusetts.

John W. Ryland, a citizen of California.

Luther R. Seibert, a citizen of Oregon.

Nicholas A. Sisak, a citizen of Pennsylvania.

POSTMASTERS

ALABAMA

Agnes O. Greene to be postmaster at Frisco City, Ala., in place of A. O. Greene. Incumbent's commission expired April 17, 1939.

Henry H. Haralson to be postmaster at Lanett, Ala., in place of W. C. Stearns, removed.

Ralph B. Burks to be postmaster at Rockford, Ala., in place of A. H. Thompson, resigned.

ALASKA

Albert Wile to be postmaster at Juneau, Alaska, in place of Albert Wile. Incumbent's commission expired January 17, 1939.

ARIZONA

Nina Bess Prather to be postmaster at Casa Grande, Ariz., in place of A. T. Kilcrease, resigned.

ARKANSAS

Oscar E. Wyatt to be postmaster at Bono, Ark., in place of G. A. Lamb, deceased.

Walter Finley to be postmaster at Lincoln, Ark., in place of C. H. Griscom. Incumbent's commission expired January 15, 1939.

CALIFORNIA

Richard A. Higgs to be postmaster at Chula Vista, Calif., in place of J. C. Callahan. Incumbent's commission expired May 7, 1938.

William C. O'Donnell to be postmaster at San Luis Obispo, Calif., in place of W. C. O'Donnell. Incumbent's commission expired May 31, 1939.

Frederick T. Hale to be postmaster at Santa Cruz, Calif., in place of F. T. Hale. Incumbent's commission expired February 9, 1939.

Edward I. Leake to be postmaster at Woodland, Calif., in place of E. I. Leake. Incumbent's commission expired March 19, 1939.

DELAWARE

Roy E. Jones to be postmaster at Millsboro, Del., in place of H. B. Mitchell. Incumbent's commission expired June 18, 1938.

FLORIDA

Charles H. Fletcher to be postmaster at Branford, Fla., in place of R. G. Granger, resigned.

Cullen H. Talton to be postmaster at Daytona Beach, Fla., in place of C. H. Talton. Incumbent's commission expired June 19, 1939.

GEORGIA

Hardy S. McCalman to be postmaster at Buchanan, Ga., in place of H. S. McCalman. Incumbent's commission expired January 30, 1938.

Hal D. Austin to be postmaster at Conyers, Ga., in place of H. D. Austin. Incumbent's commission expired June 18, 1939.

ILLINOIS

George P. Langan to be postmaster at Cairo, Ill., in place of Jacob Heid, deceased.

Charles Mancel Wightman to be postmaster at Grayslake, Ill., in place of C. M. Wightman. Incumbent's commission expired June 6, 1938.

Charles F. Loeb to be postmaster at Urbana, Ill., in place of C. F. Loeb. Incumbent's commission expired March 18, 1939.

INDIANA

Floyd B. Faulkerson to be postmaster at Angola, Ind., in place of F. B. Faulkerson. Incumbent's commission expired March 15, 1939.

Roy D. Haines to be postmaster at Bryant, Ind., in place of R. D. Haines. Incumbent's commission expired January 18, 1939.

James S. Auble to be postmaster at Cayuga, Ind., in place of J. S. Auble. Incumbent's commission expired February 18, 1939.

Albert Seufert to be postmaster at Ferdinand, Ind., in place of Albert Seufert. Incumbent's commission expired March 20, 1939.

Jesse M. Kemp to be postmaster at Kempton, Ind., in place of J. M. Kemp. Incumbent's commission expired March 20, 1939.

Charles H. Wilson to be postmaster at Mooresville, Ind., in place of C. H. Wilson. Incumbent's commission expired January 18, 1939.

Linda M. Peine to be postmaster at Oldenburg, Ind., in place of L. M. Peine. Incumbent's commission expired March 15, 1939.

Joseph C. Whitesell to be postmaster at Plymouth, Ind., in place of J. C. Whitesell. Incumbent's commission expired June 18, 1938.

Paul A. Kerstiens to be postmaster at St. Mary-of-the-Woods, Ind., in place of M. E. Callahan, removed.

Heber L. Menaugh to be postmaster at Salem, Ind., in place of H. L. Menaugh. Incumbent's commission expired May 2, 1939.

Albert J. Anderson to be postmaster at Shirley, Ind., in place of A. J. Anderson, resigned.

Albert Rautenkranz to be postmaster at Urbana, Ind., in place of Albert Rautenkranz. Incumbent's commission expired January 18, 1939.

Benjamin B. Plummer to be postmaster at Windfall, Ind., in place of B. B. Plummer. Incumbent's commission expired January 18, 1939.

IOWA

Harry J. McFarland to be postmaster at Davenport, Iowa, in place of H. J. McFarland. Incumbent's commission expired May 17, 1939.

Kate C. Warner to be postmaster at Dayton, Iowa, in place of K. C. Warner. Incumbent's commission expired February 18, 1939.

William A. Suiter to be postmaster at Le Claire, Iowa. Office became Presidential July 1, 1938.

Clarence H. Kemler to be postmaster at Marshalltown, Iowa, in place of C. H. Kemler. Incumbent's commission expired March 20, 1939.

Donald D. Jansen to be postmaster at Onslow, Iowa. Office became Presidential July 1, 1938.

Carrie M. Skromme to be postmaster at Roland, Iowa, in place of C. M. Skromme. Incumbent's commission expired February 9, 1939.

Merle B. Chader to be postmaster at Slater, Iowa. Office became Presidential July 1, 1937.

KENTUCKY

Homer G. McConnell to be postmaster at Marion, Ky., in place of H. C. Enoch, deceased.

LOUISIANA

Leonard L. Jackson to be postmaster at Clarks, La., in place of Jeannette Clarkson. Incumbent's commission expired January 9, 1936.

MAINE

Harold E. Weeks to be postmaster at Augusta, Maine, in place of H. E. Weeks. Incumbent's commission expired April 30, 1939.

Mollie M. Armstrong to be postmaster at Cape Cottage, Maine, in place of M. M. Armstrong. Incumbent's commission expired March 8, 1939.

Fred E. Skillings, Jr., to be postmaster at Scarborough, Maine, in place of Annie Gilman. Incumbent's commission expired January 17, 1939.

MARYLAND

Egbert F. Tingley to be postmaster at Hyattsville, Md., in place of M. W. Tise. Incumbent's commission expired February 24, 1936.

Taylor R. Biles to be postmaster at Rising Sun, Md., in place of T. R. Biles. Incumbent's commission expired May 16, 1938.

MICHIGAN

Rita C. Boucha to be postmaster at Engadine, Mich., in place of L. J. McGraw, removed.

MINNESOTA

Edward R. Siem to be postmaster at Elgin, Minn., in place of E. R. Siem. Incumbent's commission expired March 12, 1939.

Sophia V. Rader to be postmaster at Warroad, Minn., in place of Burt Mason, removed.

MISSISSIPPI

Leslie L. Evans to be postmaster at Canton, Miss., in place of R. R. Ray. Incumbent's commission expired May 28, 1938.

Charles M. Anderson to be postmaster at Gloster, Miss., in place of S. O. McGehee, resigned.

Alec R. Moore to be postmaster at Meadville, Miss., in place of W. L. Forman. Incumbent's commission expired May 3, 1938.

Dallas E. Morgan to be postmaster at Sallis, Miss., in place of T. L. Guyton, resigned.

MISSOURI

Samuel S. Harrison to be postmaster at Auxvasse, Mo., in place of S. S. Harrison. Incumbent's commission expired February 20, 1939.

Edgar W. Stone to be postmaster at Bland, Mo., in place of E. W. Stone. Incumbent's commission expired May 17, 1939.

John E. Thomasson to be postmaster at Bolivar, Mo., in place of Harold Stewart. Incumbent's commission expired April 25, 1938.

Raymond K. Elliott to be postmaster at Bunceton, Mo., in place of R. K. Elliott. Incumbent's commission expired March 19, 1939.

William S. Drace to be postmaster at Centralia, Mo., in place of W. S. Drace. Incumbent's commission expired May 17, 1939.

C. Leslie Parks to be postmaster at Cole Camp, Mo., in place of C. L. Parks. Incumbent's commission expired March 19, 1939.

Elmer E. Sagehorn to be postmaster at Concordia, Mo., in place of E. E. Sagehorn. Incumbent's commission expired March 19, 1939.

Charles Shumate to be postmaster at Edina, Mo., in place of Charles Shumate. Incumbent's commission expired February 20, 1939.

Wallace L. Talbot to be postmaster at Fayette, Mo., in place of W. L. Talbot. Incumbent's commission expired March 18, 1939.

A. Josephine Humble to be postmaster at Grandview, Mo., in place of A. J. Humble. Incumbent's commission expired May 17, 1939.

Ivan Nile Knowles to be postmaster at Green Castle, Mo., in place of I. N. Knowles. Incumbent's commission expired March 19, 1939.

Joseph W. Evans to be postmaster at Hale, Mo., in place of J. W. Evans. Incumbent's commission expired March 23, 1939.

James Walter Morrow to be postmaster at Iberia, Mo., in place of Walter Morrow. Incumbent's commission expired February 20, 1939.

Jesse M. Hawkins to be postmaster at Ironton, Mo., in place of J. M. Hawkins. Incumbent's commission expired February 20, 1939.

Harvey B. Lynch to be postmaster at Lincoln, Mo., in place of H. B. Lynch. Incumbent's commission expired February 20, 1939.

Edna S. Spencer to be postmaster at Malta Bend, Mo., in place of E. S. Spencer. Incumbent's commission expired March 23, 1939.

Clinton O. Brockman to be postmaster at Tuscumbia, Mo., in place of C. O. Brockman. Incumbent's commission expired March 19, 1939.

MONTANA

Philester F. Morrison to be postmaster at Columbus, Mont., in place of P. F. Morrison. Incumbent's commission expired January 17, 1939.

Thomas J. Somerville, Jr., to be postmaster at Gardiner, Mont., in place of T. J. Somerville, Jr. Incumbent's commission expired February 9, 1939.

Ruth A. Nutting to be postmaster at Laurel, Mont., in place of R. A. Nutting. Incumbent's commission expired January 17, 1939.

John W. McKee to be postmaster at Plentywood, Mont., in place of F. D. Morck, deceased.

NEBRASKA

John F. Lewis to be postmaster at Arnold, Nebr., in place of J. F. Lewis. Incumbent's commission expired February 9, 1939.

Albert J. Nacke to be postmaster at Hebron, Nebr., in place of A. J. Nacke. Incumbent's commission expired March 21, 1939.

Fred L. Orr to be postmaster at Lyons, Nebr., in place of F. L. Orr. Incumbent's commission expired February 20, 1939.

Louis R. Vejraska to be postmaster at Odell, Nebr., in place of L. R. Vejraska. Incumbent's commission expired February 9, 1939.

Irene E. Hines to be postmaster at Saint Columbans, Nebr., in place of I. E. Hines. Incumbent's commission expired February 20, 1939.

Hulda M. Hallock to be postmaster at Springview, Nebr., in place of G. A. Hallock, removed.

Frederika W. Weber to be postmaster at Wahoo, Nebr., in place of F. W. Weber. Incumbent's commission expired May 22, 1938.

NEVADA

Ernest H. Bath to be postmaster at Carson City, Nev., in place of E. H. Bath. Incumbent's commission expired February 8, 1939.

Elva I. Hermansen to be postmaster at East Ely, Nev., in place of E. I. Hermansen. Incumbent's commission expired March 8, 1939.

Delevan F. Defenbaugh to be postmaster at Winnemucca, Nev., in place of D. F. Defenbaugh. Incumbent's commission expired January 18, 1939.

NEW HAMPSHIRE

Joseph O. George to be postmaster at Gorham, N. H., in place of J. O. George. Incumbent's commission expired May 31, 1939.

Harry W. Ladd to be postmaster at Plaistow, N. H., in place of H. W. Ladd. Incumbent's commission expired February 19, 1939.

NEW JERSEY

Myrtle Apgar Smock to be postmaster at Bedminster, N. J. Office became presidential July 1, 1938.

Charles Orth to be postmaster at Hackensack, N. J., in place of Charles Orth. Incumbent's commission expired May 22, 1938.

Francis S. Doyle to be postmaster at New Lisbon, N. J., in place of F. S. Doyle. Incumbent's commission expired June 7, 1938.

James Henry Archung to be postmaster at Packanack Lake, N. J. Office became presidential July 1, 1938.

S. Dana Ely to be postmaster at Rutherford, N. J., in place of S. D. Ely. Incumbent's commission expired June 7, 1938.

Floyd J. Kays to be postmaster at Sparta, N. J., in place of F. J. Kays. Incumbent's commission expired June 12, 1938.

Anna C. Kelleher to be postmaster at Wayne, N. J., in place of A. C. Kelleher. Incumbent's commission expired June 14, 1938.

NEW MEXICO

Henry Gallegos to be postmaster at Grants, N. Mex., in place of Henry Gallegos. Incumbent's commission expired April 23, 1939.

Virginia M. Cason to be postmaster at Mosquero, N. Mex., in place of V. M. Cason. Incumbent's commission expired March 18, 1939.

Lucy O. Brown to be postmaster at Texico, N. Mex., in place of P. B. Grady. Incumbent's commission expired February 5, 1935.

NEW YORK

Alice M. Maloney to be postmaster at Ausable Chasm, N. Y. Office made presidential July 1, 1939.

John Foye to be postmaster at Brockport, N. Y., in place of John Foye. Incumbent's commission expired May 8, 1939.

Hattie B. Dye to be postmaster at Cassadaga, N. Y., in place of H. B. Dye. Incumbent's commission expired March 25, 1939.

May T. Powers to be postmaster at Essex, N. Y., in place of M. T. Powers. Incumbent's commission expired May 13, 1939.

Daniel J. Ryan to be postmaster at Johnsonville, N. Y., in place of D. J. Ryan. Incumbent's commission expired February 12, 1939.

Edward A. Laundree to be postmaster at Keeseville, N. Y., in place of E. A. Laundree. Incumbent's commission expired March 19, 1939.

George H. Raum to be postmaster at Kenoza Lake, N. Y., in place of G. H. Raum. Incumbent's commission expired March 23, 1939.

Raymond J. Watrous to be postmaster at Manhasset, N. Y., in place of J. E. Chester, deceased.

Katherine H. Nevil to be postmaster at Marion, N. Y., in place of K. H. Nevil. Incumbent's commission expired January 22, 1939.

Grace M. Mumford to be postmaster at Middleville, N. Y., in place of G. M. Mumford. Incumbent's commission expired January 21, 1939.

Charles L. Prince to be postmaster at Mohawk, N. Y., in place of C. L. Prince. Incumbent's commission expired April 23, 1939.

Roy Brant to be postmaster at Remsen, N. Y., in place of Roy Brant. Incumbent's commission expired May 8, 1939.

Olivia L. Kesselman to be postmaster at Roosevelt, N. Y., in place of O. L. Kesselman. Incumbent's commission expired May 28, 1938.

Mary E. Gainor to be postmaster at Salem, N. Y., in place of M. E. Gainor. Incumbent's commission expired March 19, 1939.

Edward J. Hally to be postmaster at Sonyea, N. Y., in place of E. J. Hally. Incumbent's commission expired January 2, 1939.

Paul J. Grueninger to be postmaster at Valhalla, N. Y., in place of W. F. Duane, Jr., removed.

NORTH CAROLINA

Robert D. McLeod to be postmaster at Biscoe, N. C., in place of R. D. McLeod. Incumbent's commission expired March 19, 1939.

Hurley E. Whitesell to be postmaster at Elon College, N. C., in place of E. B. Huffine, deceased.

Ila M. Stone to be postmaster at Hope Mills, N. C. Office became Presidential July 1, 1937.

James T. Martin to be postmaster at Liberty, N. C., in place of J. T. Martin. Incumbent's commission expired January 16, 1939.

John R. Hughes to be postmaster at Madison, N. C., in place of J. R. Hughes. Incumbent's commission expired June 7, 1938.

John A. Beshel to be postmaster at Nazareth, N. C., in place of P. N. Gallagher, resigned.

Tasker T. Hawks to be postmaster at Norlina, N. C., in place of T. T. Hawks. Incumbent's commission expired March 12, 1939.

William E. Howard to be postmaster at Richlands, N. C., in place of L. S. Venters. Incumbent's commission expired June 18, 1938.

Helen B. Siler to be postmaster at Siler City, N. C., in place of H. B. Siler. Incumbent's commission expired March 28, 1939.

Ally N. Fuller to be postmaster at Spruce Pine, N. C., in place of A. N. Fuller. Incumbent's commission expired January 16, 1929.

NORTH DAKOTA

Otis Malone to be postmaster at Almont, N. Dak., in place of Otis Malone. Incumbent's commission expired March 25, 1939.

Freda A. Sempel to be postmaster at Braddock, N. Dak., in place of F. A. Sempel. Incumbent's commission expired February 7, 1939.

Maude I. Burbeck to be postmaster at Cathay, N. Dak., in place of M. I. Burbeck. Incumbent's commission expired February 7, 1939.

Olive M. Bartlett to be postmaster at Cogswell, N. Dak., in place of O. M. Bartlett. Incumbent's commission expired January 18, 1939.

Michael C. Rausch to be postmaster at Elgin, N. Dak., in place of M. C. Rausch. Incumbent's commission expired March 23, 1939.

H. C. Erhart Petersen to be postmaster at Makoti, N. Dak., in place of H. C. E. Petersen. Incumbent's commission expired January 18, 1939.

Christine Loken to be postmaster at Petersburg, N. Dak., in place of Christine Loken. Incumbent's commission expired January 18, 1939.

William J. Gust to be postmaster at St. Thomas, N. Dak., in place of W. J. Gust. Incumbent's commission expired February 7, 1939.

Thelma G. Bohrer to be postmaster at Stanton, N. Dak., in place of T. G. Bohrer. Incumbent's commission expired March 23, 1939.

OHIO

Benjamin R. Mulholland to be postmaster at Alger, Ohio, in place of B. R. Mulholland. Incumbent's commission expired January 17, 1939.

Charles A. McCrate to be postmaster at Columbus Grove, Ohio, in place of C. A. McCrate. Incumbent's commission expired February 12, 1939.

Paul E. Ruppert to be postmaster at Franklin, Ohio, in place of P. E. Ruppert. Incumbent's commission expired February 12, 1939.

Gladys Mae Dorko to be postmaster at Marblehead, Ohio, in place of D. J. Griesser, Sr., deceased.

OKLAHOMA

Bradford M. Risinger to be postmaster at Sand Springs, Okla., in place of B. M. Risinger. Incumbent's commission expired March 18, 1939.

PENNSYLVANIA

Charles A. O'Donnell to be postmaster at Frackville, Pa., in place of C. A. O'Donnell. Incumbent's commission expired March 18, 1939.

Elmer T. Smith to be postmaster at Hopewell, Pa., in place of E. T. Smith. Incumbent's commission expired April 6, 1939.

Earl S. Warmkessel to be postmaster at Laureldale, Pa., in place of C. L. Greth. Incumbent's commission expired February 10, 1936.

SOUTH DAKOTA

Edith A. Sproat to be postmaster at Bradley, S. Dak., in place of E. A. Sproat. Incumbent's commission expired January 28, 1939.

Thomas W. Lalley to be postmaster at Montrose, S. Dak., in place of T. W. Lalley. Incumbent's commission expired February 15, 1939.

TENNESSEE

Roy D. Murphey to be postmaster at Adams, Tenn., in place of R. D. Murphey. Incumbent's commission expired May 2, 1938.

Lily D. Seay to be postmaster at Bethpage, Tenn., in place of L. D. Seay. Incumbent's commission expired January 16, 1939.

Mary E. Birdwell to be postmaster at Chuckey, Tenn., in place of M. E. Birdwell. Incumbent's commission expired February 9, 1939.

Alexander L. Allison to be postmaster at Dover, Tenn., in place of A. L. Allison. Incumbent's commission expired February 15, 1938.

Henry C. Johnson to be postmaster at Lafayette, Tenn., in place of H. C. Johnson. Incumbent's commission expired January 16, 1939.

Chester P. Webb to be postmaster at Lawrenceburg, Tenn., in place of C. W. Moore, Jr. Incumbent's commission expired June 11, 1936.

John W. Fuqua to be postmaster at McEwen, Tenn., in place of J. W. Fuqua. Incumbent's commission expired January 16, 1939.

Coy M. Seal to be postmaster at Sneedville, Tenn., in place of C. M. Seal. Incumbent's commission expired May 29, 1939.

TEXAS

Howard L. Smith to be postmaster at Alamo, Tex., in place of H. L. Smith. Incumbent's commission expired March 15, 1939.

M. Earle Cook to be postmaster at Carrizo Springs, Tex., in place of M. E. Cook. Incumbent's commission expired February 15, 1939.

William M. Mead to be postmaster at Chico, Tex., in place of Estelle Gibson. Incumbent's commission expired January 25, 1939.

Thomas F. Bice to be postmaster at Dimmitt, Tex., in place of T. F. Bice. Incumbent's commission expired January 25, 1939.

Earnest N. Sowell to be postmaster at Elgin, Tex., in place of E. N. Sowell. Incumbent's commission expired May 28, 1938.

Wallace J. Bludworth to be postmaster at Flatonia, Tex., in place of W. J. Bludworth. Incumbent's commission expired March 12, 1939.

Carolyn A. Moreman to be postmaster at Hale Center, Tex., in place of C. A. Moreman. Incumbent's commission expired February 15, 1939.

William D. Reed to be postmaster at Holland, Tex., in place of W. D. Reed. Incumbent's commission expired February 19, 1939.

Richard J. Crow to be postmaster at Kountze, Tex., in place of R. J. Crow. Incumbent's commission expired January 25, 1939.

William B. Collins to be postmaster at Llano, Tex., in place of W. B. Collins. Incumbent's commission expired February 12, 1939.

William F. Rayburn to be postmaster at Lovelady, Tex., in place of W. F. Rayburn. Incumbent's commission expired May 13, 1939.

John J. Faubion to be postmaster at Marble Falls, Tex., in place of J. J. Faubion. Incumbent's commission expired January 25, 1939.

Almer D. Woods to be postmaster at Marquez, Tex., in place of F. M. Carrington, deceased.

Grady W. Harris to be postmaster at Mobeetie, Tex., in place of G. W. Harris. Incumbent's commission expired January 25, 1939.

Ruth Norman to be postmaster at Morgan, Tex., in place of Ruth Norman. Incumbent's commission expired January 25, 1939.

William O. Haizlip to be postmaster at Nederland, Tex., in place of W. O. Haizlip. Incumbent's commission expired March 15, 1939.

Maude A. Davis to be postmaster at Petrolia, Tex., in place of M. A. Davis. Incumbent's commission expired March 15, 1939.

Hobart Lytal to be postmaster at Quinlan, Tex., in place of Hobart Lytal. Incumbent's commission expired March 15, 1939.

Sidney T. Bogan to be postmaster at Quitaque, Tex., in place of S. T. Bogan. Incumbent's commission expired February 15, 1939.

Ina M. Matheny to be postmaster at Rochester, Tex., in place of I. M. Matheny. Incumbent's commission expired February 15, 1939.

Jesse H. Harris to be postmaster at Rogers, Tex., in place of J. H. Harris. Incumbent's commission expired January 25, 1939.

Smith W. Ribble to be postmaster at Roxton, Tex., in place of S. W. Ribble. Incumbent's commission expired January 25, 1939.

Willis C. Giffin to be postmaster at Sabinal, Tex., in place of W. C. Giffin. Incumbent's commission expired March 12, 1939.

Wallace B. Alexander to be postmaster at Seymour, Tex., in place of W. B. Alexander. Incumbent's commission expired January 25, 1939.

Gus W. Kunath, Jr., to be postmaster at Smithville, Tex., in place of G. W. Kunath, Jr. Incumbent's commission expired March 25, 1939.

Russell M. Chaney to be postmaster at Sulphur Springs, Tex., in place of R. M. Chaney. Incumbent's commission expired January 25, 1939.

Hugh E. Weir to be postmaster at Troy, Tex., in place of H. E. Weir. Incumbent's commission expired January 25, 1939.

William A. Graham to be postmaster at Tulia, Tex., in place of W. A. Graham. Incumbent's commission expired May 13, 1939.

James G. Simms to be postmaster at Valley Mills, Tex., in place of J. G. Simms. Incumbent's commission expired January 25, 1939.

William F. Sellers to be postmaster at Walnut Springs, Tex., in place of W. F. Sellers. Incumbent's commission expired February 12, 1939.

Robert K. Phillips to be postmaster at Weatherford, Tex., in place of R. K. Phillips. Incumbent's commission expired June 18, 1938.

John W. Hardison to be postmaster at Whitney, Tex., in place of J. W. Hardison. Incumbent's commission expired February 19, 1939.

Olen T. Little to be postmaster at Woodson, Tex., in place of O. T. Little. Incumbent's commission expired January 25, 1939.

VIRGINIA

Samuel S. Brooks to be postmaster at Appalachia, Va., in place of S. S. Brooks. Incumbent's commission expired June 18, 1938.

E. LeRoy Smith to be postmaster at Appomattox, Va., in place of E. L. Smith. Incumbent's commission expired March 8, 1939.

Thomas E. Chambers to be postmaster at Blackstone, Va., in place of T. E. Chambers. Incumbent's commission expired May 1, 1939.

Anna G. Bengtson to be postmaster at Catawba Sanatorium, Va., in place of A. L. Martin, deceased.

Dewey Arrington to be postmaster at Cleveland, Va., in place of Dewey Arrington. Incumbent's commission expired March 8, 1939.

James F. Walker to be postmaster at Fort Defiance, Va., in place of J. F. Walker. Incumbent's commission expired March 8, 1939.

John W. Rodgers to be postmaster at Hampden Sydney, Va., in place of J. W. Rodgers. Incumbent's commission expired May 1, 1939.

Samuel S. Stallings to be postmaster at Suffolk, Va., in place of S. S. Stallings. Incumbent's commission expired June 18, 1938.

Troy J. Weeks to be postmaster at Willis, Va., in place of T. J. Weeks. Incumbent's commission expired February 9, 1939.

WASHINGTON

Elizabeth S. Garland to be postmaster at Endicott, Wash., in place of E. S. Garland. Incumbent's commission expired January 16, 1939.

Charles J. Fredricks to be postmaster at Moxee City, Wash., in place of C. J. Fredricks. Incumbent's commission expired January 16, 1939.

Wilbur B. Stonex to be postmaster at Onalaska, Wash., in place of W. B. Stonex. Incumbent's commission expired February 18, 1939.

Walter Lee Barnard to be postmaster at Sumner, Wash., in place of W. L. Barnard. Incumbent's commission expired February 18, 1939.

WEST VIRGINIA

Frederick D. Golightly to be postmaster at Davis, W. Va., in place of F. D. Golightly. Incumbent's commission expired January 29, 1939.

Ruth L. Joyce to be postmaster at Davy, W. Va., in place of R. L. Joyce. Incumbent's commission expired January 29, 1939.

William M. Boardman to be postmaster at Gary, W. Va., in place of W. M. Boardman. Incumbent's commission expired June 6, 1938.

Winston C. Harbert to be postmaster at Lumberport, W. Va., in place of W. C. Harbert. Incumbent's commission expired January 29, 1939.

Louis Knakal to be postmaster at Widen, W. Va., in place of Louis Knakal. Incumbent's commission expired February 18, 1939.

WISCONSIN

Joseph K. Hesselink to be postmaster at Cedar Grove, Wis., in place of J. K. Hesselink. Incumbent's commission expired March 19, 1939.

Carl Whitaker to be postmaster at Chetek, Wis., in place of Carl Whitaker. Incumbent's commission expired May 28, 1938.

Ina E. Hennlich to be postmaster at Curtiss, Wis., in place of I. E. Hennlich. Incumbent's commission expired January 18, 1939.

Alma M. Olk to be postmaster at Hortonville, Wis., in place of A. M. Olk. Incumbent's commission expired January 18, 1939.

Joseph S. Rosera to be postmaster at Lena, Wis., in place of J. S. Rosera. Incumbent's commission expired January 29, 1939.

Axel C. Swanson to be postmaster at Pembine, Wis., in place of J. S. Stoveken. Removed.

William A. Weier to be postmaster at Wabeno, Wis., in place of W. A. Weier. Incumbent's commission expired January 24, 1939.

WYOMING

George J. Snyder to be postmaster at Glendo, Wyo., in place of G. J. Snyder. Incumbent's commission expired March 9, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 6, 1939

DIPLOMATIC AND FOREIGN SERVICE

TO BE FOREIGN SERVICE OFFICERS OF CLASS 1

Julean H. Arnold	Thomas L. Hughes
Henry M. Bankhead	Sam E. Woods
Alexander V. Dye	

TO BE FOREIGN SERVICE OFFICERS OF CLASS 2

William E. Dunn	Lynn W. Meekins
H. Coit MacLean	Lacey C. Zapf

TO BE FOREIGN SERVICE OFFICERS OF CLASS 3

Ralph H. Ackerman	Daniel J. Reagan
H. Lawrence Groves	Ashley B. Sowell
George C. Howard	Earl C. Squire
Charles A. Livengood	Lloyd V. Steere
Thomas H. Lockett	

TO BE FOREIGN SERVICE OFFICERS OF CLASS 4

Don C. Bliss, Jr.	Karl L. Rankin
Merwin L. Bohan	Gardner Richardson
Clarence C. Brooks	James T. Scott
Samuel H. Day	Jesse F. Van Wickel
Charles E. Dickerson, Jr.	Frank S. Williams
Walter J. Donnelly	Owen L. Dawson
Julian B. Foster	Erwin P. Keeler
Homer S. Fox	Paul G. Minneman
Thormod O. Klath	Paul O. Nyhus
Clayton Lane	Clifford C. Taylor
Albert F. Nufer	

TO BE FOREIGN SERVICE OFFICERS OF CLASS 5

A. Bland Calder	Malcolm P. Hooper
George R. Canty	Leigh W. Hunt
Archie W. Childs	Edward B. Lawson
Robert G. Glover	Oliver B. North
Julian C. Greenup	Harold M. Randall

J. Bartlett Richards
James Somerville, Jr.
Paul P. Steintorf
Robert M. Stephenson

Howard H. Tewksbury
Osborn S. Watson
Charles L. Luedtke
Lester D. Mallory

TO BE FOREIGN SERVICE OFFICERS OF CLASS 6

DuWayne G. Clark	John A. Embry
Basil D. Dahl	A. Viola Smith

TO BE FOREIGN SERVICE OFFICERS OF CLASS 7

Barry T. Benson	C. Grant Isaacs
Charles E. Brookhart	J. Winsor Ives
Carl E. Christopherson	Edward D. McLaughlin
Charles H. Ducote	Avery F. Peterson
Wilson C. Flake	Alton T. Murray
Leys A. France	Harold D. Robison
Paul S. Guinn	Donald W. Smith
R. Horton Henry	Julie B. Smith
Elisabeth Humes	William P. Wright

TO BE FOREIGN SERVICE OFFICERS OF CLASS 8

Fritz A. M. Alfson	George E. Miller
Carl H. Boehringer	Paul H. Pearson
Frederick J. Cunningham	Archibald R. Randolph
B. Miles Hammond	Henry E. Stebbins
Coldwell S. Johnston	Joe D. Walstrom
George L. Jones, Jr.	Rolland Welch
Charles F. Knox, Jr.	

TO BE FOREIGN SERVICE OFFICERS, UNCLASSIFIED

John L. Bankhead	Aldene B. Leslie
F. Lestrade Brown	Minedee McLean
Thomas S. Campen	Eugene A. Masuret
David M. Clark	Kathleen Molesworth
Edward A. Dow, Jr.	Jack B. Neathery
John L. Goshie	Katherine E. O'Connor
Theodore J. Hadraba	E. Edward Schefer
John P. Hoover	William L. Smyser
Hungerford B. Howard	Earle C. Taylor
Frederick D. Hunt	Charles O. Thompson
Donald W. Lamm	William Witman, 2d

POSTMASTERS

CALIFORNIA

Clayborne L. Boren, Bell.
Gay E. Shamel, Cambria.
Helen S. Osborne, Earlimart.
Joel K. L. Schwartz, Fillmore.
Vaun Johnson, Morro Bay.
George H. Kindred, Oxnard.
Elmer T. Bollinger, Paso Robles.
William H. McCloskey, Terra Bella.
Harry D. Beck, Tipton.
John J. Madigan, Vallejo.

ILLINOIS

William G. Gerbing, Ashland.
Roy L. Campbell, Athens.
Ruth L. Patterson, Bement.
Leslie W. Hunt, Cambridge.
Roger M. Tippy, Carterville.
Ace C. Parris, Champaign.
Edward G. Mochel, Clarendon Hills.
Martin W. Robertson, Creal Springs.
Scottie Brown, Edgewood.
John H. Mauzey, Findlay.
Grace Reichert, Grand Chain.
Henry Earl Ballein, Hanover.
Lowell R. Murray, Herrick.
Paul H. Sachtleben, Hoyleton.
Florence E. Kelley, Iuka.
Richard C. Patterson, Johnston City.
Augustian P. Pope, Kane.
Patrick H. McKeone, Lacon.
Joseph O. Hucker, Jr., Lake Villa.
John E. Gorman, Monee.
George R. Davis, Mount Sterling.
Edward M. Dieter, Naperville.

Arthur L. Reinheimer, New Athens.
 Andrew J. Eekhoff, Nokomis.
 Garnett M. Farthing, Odin.
 Milton O. Harriss, Pinckneyville.
 William D. Steward, Plano.
 Alfred H. Barrow, Roodhouse.
 Glenn G. Watson, Roseville.
 Joseph E. Pruett, St. Elmo.
 Louis H. Tegtmeyer, Steeleville.
 Reuben C. Thomason, Tamms.
 Maude B. Youart, Thebes.
 Paul H. Rauhoff, Tinley Park.
 Joseph J. Morrissey, Utica.
 Frank Breycha, Villa Park.
 Joseph P. Daly, Waukegan.
 William W. Desmond, Woodstock.

MARYLAND

Thomas Raymond Burch, Berwyn.
 Anna B. Bowie, Kensington.
 Clarence J. Thomson, Jr., Lutherville.
 John T. French, Owings Mills.

MINNESOTA

William C. Wiench, Bagley.
 John E. Pasch, Barnesville.
 Egbert J. Sutherland, Chatfield.
 Otto H. J. Zorn, Danube.
 Virgia Poole, Effie.
 Raymond E. Garden, Gary.
 Bernard A. Gorman, Goodhue.
 Carl K. Peterson, Grand Meadow.
 Elmer L. Berg, Kennedy.
 Francis H. McDonald, Marine on St. Croix.
 Harold T. Colbjornsen, Parkers Prairie.
 Cora E. McNair, Pillager.
 Henry E. Day, Raymond.
 Robert G. Champlin, Vernon Center.
 Arthur C. Jensen, Winger.
 William F. Krueger, Wykoff.

OKLAHOMA

Troy Combs, Davenport.
 Marvin A. Peacock, Fletcher.
 Joe B. Steele, Ringling.

PENNSYLVANIA

Emma J. Coleman, Braeburn.
 Velma G. Livengood, Delmont.
 John P. Doherty, Latrobe.
 Laura M. Gilpatrick, Seward.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 6, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou blessed Lord and Saviour, who hast trod the path of prayer, teach us how to pray that our hearts may be renewed in every thought and full of love divine. We long for Thy fellowship; the desert blossoms as the rose and springs of water break from the parched ground when we walk with Thee. Remind us that the secret of a Christ-approved life is attained through the golden avenue of sacrificial service. We pray that all humanity may soon claim a new-born earth and that its mandates shall give the old world beauty for ashes and the garment of praise for heaviness. O come and set all mankind thinking and singing a new song that shall have the sweep and the majesty of our Master's horizon. Heavenly Father, may Thy love and rest bless our Speaker with renewed vigor. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6577) entitled "An act to provide revenue for the District of Columbia, and for other purposes."

The message also announced that the Senate further insists upon its amendment to the foregoing bill, agrees to the further conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. OVERTON, Mr. KING, Mr. TYDINGS, Mr. MCCARRAN, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3325) entitled "An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised."

The message also announced that the Senate had adopted the following resolution:

Senate Resolution 155

JULY 5, 1939.

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. HARRY WILBUR GRISWOLD, late a Representative from the State of Wisconsin.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

The message also announced that pursuant to the foregoing resolution the Presiding Officer had appointed Mr. LA FOLLETTE and Mr. WILEY as the members of the committee on the part of the Senate.

TOLL BRIDGE ACROSS MISSISSIPPI RIVER AT CHESTER, ILL.

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4370) authorizing the city of Chester, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River at or near Chester, Ill., with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, lines 2 and 3, strike out "reasonable interest and financing cost" and insert "interest at a rate of not to exceed 5 percent per annum and reasonable financing cost."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. CHAPMAN]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, as I understand it, this simply fixes the rate of interest?

Mr. CHAPMAN. Instead of leaving the interest rate at "reasonable", it places a definite limitation of 5 percent.

Mr. MARTIN of Massachusetts. I think that is a good amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. CHAPMAN]? There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 generous minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. DIRKSEN]?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, a subcommittee of the Appropriations Committee and also the House District Committee are still in conference with the Senate on the tax bill and the appropriation bill for the District of Columbia.